

ARTSWORK LIMITED

England & Wales · Charity number 800143

Details

Other names ARTSPLAN, ARTSWORK, ENYAN, UPSTART

Status Registered

Legal form Charitable company

Company number [02150619](#)

Registered 1988-10-06

Register [View on the Charity Commission register](#)

Contact

Address 142-144 Above Bar Street
Southampton
SO14 7DU

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Website www.artswork.org.uk

Activities

Objects: THE OBJECTS ARE TO PROMOTE, MAINTAIN, IMPROVE AND ADVANCE PUBLIC EDUCATION, APPRECIATION AND UNDERSTANDING OF YOUTH ARTS.

Activities: The objects of the charity are to promote, maintain, improve and advance public education, appreciation and understanding of Youth Arts. The charitable company continues to explore new ways of improving provision for young people in creative activities.

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

Geography

- Brighton And Hove
- Hampshire
- Isle Of Wight
- Kent
- Portsmouth City
- Slough
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,858,627	£1,676,081	£1,973,302	23
2024-03-31	£1,930,291	£1,631,638	£1,790,756	22
2023-03-31	£2,233,754	£2,646,738	£1,492,103	47
2022-03-31	£2,353,579	£2,527,416	£1,905,087	47
2021-03-31	£1,867,900	£1,778,837	£2,078,924	27

Trustees

Name	Role	Appointed
Anna Grace Wanjiku Nyachae		2020-12-08
Fiona Parkinson		2016-05-26
Jayanti Shah		2022-03-30
Katherine Jackson		2026-03-26
Lisa Thurbon		2023-12-06
Nazy Namazi		2025-09-24
Olivia Edwards		2024-12-09

ARTSWORK LIMITED

England & Wales - Charity number 800143

Accounts

Charity Registration No. 800143

Company Registration No. 02150619 (England and Wales)

ARTSWORK LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2025

ARTSWORK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	N Betjemann F Parkinson E Dyer J Shah A W G Nyachae L Thurbon O Edwards N Namazi	(Appointed 9 December 2024) (Appointed 24 September 2025)
Secretary	S Warwick	
Charity number (England and Wales)	800143	
Company number	02150619	
Registered office	142-144 Above Bar Street Southampton SO14 7DU	
Auditor	Fiander ETL Stag Gates House 63/64 The Avenue Southampton Hampshire SO17 1XS	
Bankers	Santander UK PLC Business and Corporate Banking Operations Bridle Road Bootle Merseyside L30 4GB	
	Unity Trust Bank PLC Nine Brindley Place 4 Oozells Square Birmingham B1 2HB	
	Triodos Bank UK Deanery Road Bristol BS1 5AS	

ARTSWORK LIMITED

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ARTSWORK LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, subsequently updated with effect from January 2019 (FRS 102).

Introduction

At Artswork we strive to make the arts and creativity available to everyone. We aim to break through barriers and develop new ways for people to discover the success, empowerment and sheer joy that the arts and creativity can bring to classrooms, communities and careers.

Imagine if... all our children were happy and confident, strong in their sense of self and the world that they live in.

Imagine if... every child – irrespective of race, background, wealth, identity or ability - felt valued, heard and represented.

Imagine if... we gave them all the opportunity to explore and fulfil their potential in a future that we are all making together.

Imagine if... we kept a sense of wonder, creativity and learning throughout our lives.

The Artswork team works regionally, nationally and internationally to make these aspirations a reality.

Chair's Statement 2024/25

2024/25 was our second year as an Arts Council England National Portfolio Organisation and our mantra, 'Activate', has been fully embraced: Activate Young Cultural Changemakers, Activate Creative Careers, and Activate Creative Learning. In Priority Places across the south we have worked with thousands of young people on creative consultations and youth-led commissions. Through the process young people have earned Arts Awards and Digital Badges, gained skills and confidence and have positively impacted on the wider community.

Young people have excelled in the range of projects they've designed and delivered in their communities - initiatives such as well-being gardens, mental health spaces and police cell makeovers. The environment is, again, of key interest and we saw initiatives such as the creation of animations championing kelp restoration and a new urban marine habitat. Young people took part in a Diwali parade, and in Dover town centre, a creative takeover involving music, art trails and public sculpture.

Activity is truly being driven by young people and, in doing so, they're pushing the boundaries of creativity in the ways they're engaging with each other and, at the same time, gaining confidence and respect in the wider community. One young person involved in Portsmouth Creative Skills commented:

"[The project] throws you outside your comfort zone. You have to think outside the box. Like, you can't have it all your own way. [My partner] wanted [the street art] one way, I wanted it another. We had to combine and compromise. We had to come up with our own ideas, and once I understood what he wanted, I thought about what I could add, like, what would make sense."

Another said:

"The course has been more fun than I expected. The visits enhanced it all. Like, it was nice to explore the [Groundlings] theatre, that's something you wouldn't normally get to do. But my favourite part of the course has been becoming more confident. Now I can have a conversation with a worker in a shop or cafe instead of just being a nervous wreck."

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Inclusivity and relevance remain at the heart of what we do and we've worked with an astonishing range of young people, many of them previously disengaged and not involved in arts activity. This year a lot more young people with special educational needs or disabilities have taken the lead in identifying, developing and delivering creative activities. We've engaged with young people involved in the youth justice system and in pupil referral units. Young members of the Roma community and young people who are asylum seekers have benefited from our programmes and we continue to involve young people from a wide range of ethnic backgrounds. LGBTQIA and trans young people are active in our work. Also, those involved in military communities in which they often feel isolated, young people with mental health challenges, and those in the lowest socio-economic groups.

We're thrilled to see the interest young people are showing in entering the professional arts and cultural arena. A participant in the Breakthrough programme, which provides young people paid six month 'starter jobs' said:

"I would recommend this programme as a great step towards finding a creative career, through an optimum balance of guidance and support to discovery and learning through experience. I feel it has been super helpful for me to gain insight into what careers in this industry actually look like and to forge a greater network. For anyone thinking of applying, I say go for it."

Equally, it's wonderful to see employers' feedback with host organisations noting: "It is an excellent way to integrate early career professionals with the support to make it a success". With others commenting that the programme is "A great way to upskill yourself ... the insights candidates provide are invaluable and they've brought an uplifting, fresh energy to the rest of the team."

Our Creative Learning Programmes, delivered by Artswork Professional Development, continue to be a valued source of development for both those working in the arts sector as well as in the wider arena and provide a growing source of earned income. A participant in the 'Houses of Commons Behaviour Management with Young People in the Creative, Cultural & Heritage Sectors' initiative said: "This was practical and collaborative, and delivered by the nicest person ever! The trainer was incredible!"

A participant in the Logic Models training commented: "This is excellent training, lovely person, excellent delivery on zoom. You covered a lot in a short time but in a clear way that is immediately applicable to my work. It will bring my multiple projects into a cohesive approach, together with the evidence/reasoning needed for managers. Thanks. Great value too - so many orgs charge over the odds. Thank you for keeping this affordable."

We are extremely grateful to the Arts Council England for their continued support of Artswork as a national portfolio organisation. Their investment has also helped us unlock other sources of funding. For instance, the Choices Programme, funded by the Office of the Police and Crime Commissioner, continued to run across Hampshire and the Isle of Wight. It's involved a total of 6,948 young people, encouraging them to resist the peer pressure to be involved in criminal and/or violent behaviour. Arun District Council has continued to partner with us for our placemaking work in Arun. Thank you to both the OPCC and ADC.

Our Youth Board has been a vibrant and constructive presence in our on-going quest to put young people firmly at the centre of our thinking and I thank them for their input. I'm also very pleased that we have benefitted from the views and experience of some young Trustees. Their input, alongside that of our other Trustees, has been invaluable. Thank you to the entire Artswork Board.

Finally, Artswork staff, led by the indefatigable Louise Govier, has yet again excelled in realising Artswork's mission to empower young people through creativity so that they can build a better future for themselves and others. This is despite the very real challenges of squeezed resources, time pressures and political uncertainty. Thank you.

2024/25 marked my 9th year as Chair and what a pleasure and a privilege it's been to be in the role. As the organisation moves forward I anticipate the continued success and, in fact, growth of Artswork's work with young people.

Norinne Betjemann
Chair

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Artswork Leadership Team 2024/25

Louise Govier – Chief Executive (appointed August 2020)

Sarah Warwick – Chief Finance Officer

Annabel Cook – Deputy Chief Executive

Donna Vose – Head of Budgets, Contracts & Policy

Lucy Marder – Head of Business Development

See full Artswork team: <https://artswork.org.uk/about-us/staff-trustees-trainers/>

Artswork's Aims, Objectives and Activities

The trustees have paid due regard to guidance issued by the Charity Commission on public benefit on deciding what activities the charity should undertake.

At Artswork we believe in the power of the arts and creativity to:

- Fundamentally shape happier and healthier children and young people
- Broaden horizons, open opportunities and enrich the lives of children and young people
- Make a difference from birth - we sing before we talk, we dance before we walk
- Help develop skills and experiences enabling all children and young people to thrive, progress and achieve
- Enable and inspire expression for everyone

We achieve our mission through:

- Enabling children and young people from any background to find their voice and encouraging others to listen to and support them
- Devising and delivering inclusive programmes that empower the most under-represented young people to lead change in their communities
- Developing young people's skills, for their own growth and as future cultural leaders
- Working in partnerships across cultural organisations and education to create lasting change
- Delivering creative training that nurtures innovation and progress in cultural organisations, learning settings and a wide range of other contexts including healthcare and Local Authorities.

The objectives of the charity are to promote, maintain, improve, and advance public education, appreciation and understanding of youth arts. The charitable company continues to explore new ways of improving provision for children and young people in creative activities.

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Public benefit aims

Public benefit is at the heart of what Artswork does. In the second year of our current business plan, Artswork is delivering its mission through the following key public benefit aims:

1. Empower young people of all ages through creativity, including listening to children and young people through creative consultations and enabling them to lead and deliver creative commissions that will make a difference where they live.
2. Lead and strengthen arts and cultural engagement with children and young people, by activating young cultural changemakers, creative careers and creative learning.
3. Recognise, facilitate and lead the development of opportunities for work-based learning, employability and entrepreneurship.
4. Enhance expertise, skills, knowledge and understanding of the arts and culture in work for, with and by children and young people, developing through training the skills of people working in a wide range of contexts.
5. Collect and share evidence of good practice and success stories regionally, nationally and internationally, particularly around youth voice and youth-led practice centred on creativity.
6. Practice effective governance, leadership and management of Artswork.

We deliver our aims through three main strategic programmes as an Arts Council England funded National Portfolio Organisation which generates additional income through training and consultancy:

- Activate Young Cultural Changemakers - place-based programmes in Arun, Dover, Isle of Wight, New Forest and Slough. We hold creative consultations that enable young people locally to express their views, and then enable young people to respond to those ideas by leading and delivering Changemaking creative commissions that will make a difference where they life.
- Activate Creative Careers – enabling equitable routes for young people into creative careers, from building awareness in primary schools to careers tasters for secondary students, and a range of work-based training and skills development programmes.
- Activate Creative Learning – advocating for and developing creative learning, including continuing professional development for teachers; creative commissions within learning settings that develop practice; training and consultancy for a wide range of organisations that work with and for young people.

Trustees monitor performance on a quarterly basis and measure this against key performance indicators, budget allocation and spend.

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The Year in Numbers

During 2024/25, Artswork:

- enabled **6,348** young people to make active change in their communities through **49** youth consultations and **18** youth-led creative commissions
- **92%** of the young people we worked with felt heard
- **43,375** members of the wider community in key places felt positively impacted by our youth-led Changemaking creative commissions
- **2,278** adults took part in Artswork Professional Development, through **24** in-house and open training courses
- **4,733** children and teachers took part in Choices, our creative approach to violence reduction training for pupils in Years 6 and 7
- **88** young people improved their careers prospects and skill levels through our in-depth work and practice-based support, including intensive skills programmes for young people facing significant challenges, our 6-month paid Breakthrough employability scheme, and Apprenticeships
- **20** young people used Artswork's RISE micro-investments to develop their creative practice or business
- We supported **14** members of our youth board, bringing in new members from our place-based work
- **88%** of people taking part in our programmes felt their confidence had improved

A full summary of activities and achievements is contained in the Appendix to this report.

Financial review

Artswork's income in the financial year 2024/25 decreased moderately compared to 2023/24. This was due to the completion of the Artsmark programme. 2024/25 was our second year as a National Portfolio Organisation and we saw investment of £1,394,508 from Arts Council England.

Artswork has again been successful in generating programme income from a range of sources, including local and national agencies, and via delivery and receipt of training fees. The decrease in income was partially offset by an increase in income from professional development training which remains an area of growth for the charity. Artswork controls expenditure well, both within core and project budgets. We also maintain healthy reserves and have increased income from bank interest during 24/25.

The ongoing use of effective control and tracking systems (including purchase orders and ongoing interrogated budgeting) has produced clarity in short-term and long-term financial planning and management. Regular reviews of Artswork's financial planning and management accounts at Trustee board meetings have enabled the Trustees to maintain a consistent and detailed overview of the charity's financial progress and achievements.

Reserves Policy

Artswork, like many small charities, has limited opportunity to generate unrestricted income. Through continued careful budget forecasting, application for full cost recovery where possible, strict management of expenditure and utilisation of high interest bank accounts, Artswork has built up reserves of £691,630. Of this Trustees have ring fenced funds to cover at least 12 months core running costs and closure costs, not specifically met by programme grants, as well as make provision for future commitments. These funds are invested for long term need and future purpose. Trustees also designate funds for specific educational delivery programmes and for contingent liabilities.

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Going Concern

Artswork has been innovative in its delivery over the last year and is opening new markets by responding to sector change, through online delivery and increased referrals, and in making successful grant applications and by winning tenders. The charity has repositioned its programme delivery and is a leader in youth voice provision. Simultaneously Artswork has grown its Breakthrough model enabling creative sector employers to provide training and work opportunities for young people. Specifically, the following highlights the rationale for Artswork regarding itself as a going concern.

1. Arts Council England National Portfolio Organisation (NPO) funding for 2023-2026, with an application submitted for extension for 2026-27
2. New grants and tenders for programmes from national and regional partners
3. An increase in unrestricted revenue from training courses and consultancy
4. Artswork reviewed all areas of its operational and programme budgets to model new costings for 2025/26 onwards and has allocated savings into emerging growth opportunities and to meet increased staffing costs. The charity is confident that the budget for 2025 - 2026 is sound and achievable
5. Artswork will continue to implement its fundraising strategy to achieve growth by seeking funds from a range of sources to enable it to deliver its plans
6. Artswork has an additional amount of free reserves (after agreed allocations and designations) which provides further contingency if required.

Principal funding sources and activities 2024/25

Artswork achieved income from a range of sources during 2024/25. We also maintained excellent accounts and financial processes – evidenced by a complimentary report on the prior year from our auditors, Fiander ETL.

Funds raised included:

- Arts Council England – £1,394,508 to deliver the NPO role
- Arun District Council - £30,000 for our placemaking work in Arun
- Police & Crime Commissioner for Hampshire & Isle of Wight – £110,000 to deliver Choices, a Schools Violence Reduction programme
- Employers' training contributions - £29,250 for the Breakthrough programme
- Police & Crime Commissioner for Hampshire & Isle of Wight - £25,000 for Playland
- Arts Council England - £10,735 to deliver a better understanding of Youth Voice
- Apprenticeship Programme - £29,639

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Environmental Responsibility

Artswork has committed to a comprehensive set of targets and responsibilities to reduce the ecological impact of our work and programmes. Our Environmental Action Plan is aligned to UN Sustainable Development Goals and national policy to achieve a 78% reduction in greenhouse gas emissions by 2035. This year we re-calculated the baseline for our measurable scope 2 and 3 emissions based on changes in government conversion factors for homeworking, and by considering more of our supply chain and digital footprint emissions. This saw our measurable emissions increase to 96 tonnes of CO₂e which presents a more accurate picture of Artswork's impact.

Artswork's ambition is to:

- calculate and understand our emissions data to set ambitious and achievable targets
- advocate for a transition to a low-carbon creative sector and society
- increase our employees' and Trustees' awareness, knowledge and understanding
- enable employee and Trustee training and volunteering

See Artswork's website for more information.

During 2024/25, Artswork:

- Calculated our emissions as 96 tonnes
- Maintained the charity's no fly policy
- Supported a creative sustainability programme for young people in schools in our Placemaking areas, with 3,939 participants
- Planted 100 trees in schools in our Placemaking area to improve biodiversity and air quality. These trees are accredited with a Verified Carbon Standard scheme which guarantees carbon credits for 100 tonnes of CO₂
- Continued advocacy work by commissioning youth voice to share Artswork's environmental journey and progress through social media and our website

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Plans for 2025/26 onwards

We will continue to build on the success of 2024/25 in our current role as an Arts Council England (ACE) National Portfolio Organisation (NPO), further delivering on ACE's Let's Create strategy. We will also continue to extend and further diversify our income generation from other sources and keep developing our business model. This recognises the need to balance the budgetary pressures that come from increased costs (including the rise in National Insurance) and the stand-still level of public funding we receive.

Artswork's Activate Young Cultural Changemakers programme will extend its impact in the New Forest, Isle of Wight, Slough, Arun and Dover, with additional work in Rushmoor and Gosport. More focused creative consultations will build on the considerable understanding we've gained from young people already, and further youth-led creative commissions will respond to young people's concerns, enabling them to create positive change in their communities. The training that supports these young people will continue to be more flexible, recognising experiential learning gained by practical experience. We will generate more in-kind support and additional income to supplement this work as local businesses and stakeholders are better able to understand it and see its impact through the evidence of commissions from both Years 1 and 2.

Our Activate Creative Careers programme will continue to work with schools around careers awareness, taster sessions and the development of equitable models for work experience, from primary through to secondary and 16+ options. A new film explaining the benefits of our creative careers at primary package aims to increase funding to enable a larger scale roll out of this free programme for schools who are experiencing extreme pressure on their own funding. We will begin to ask Breakthrough employers to contribute 10%, 20% or 30% of their post-holder's wages, on a sliding scale dependent on their size and operating budget. We will continue to offer the RISE bursaries for young people to develop their creative practice, recognising that for some young people, starting their own business or having a creative small enterprise alongside another job is an effective route towards a creative career. We will offer a development network for them, including potentially shaping a cohort of young consultants who can offer youth voice services to clients as part of a system that generates income for both them and for Artswork, while also giving them further practical work experience.

We will look at alternative ways to meet both the training, development and support needs of young people at 16+ in our employability programmes that better fit the needs of young people and employers and respond to the opportunities employers can provide. Similarly, we will continue to deliver and adapt Portsmouth Creative Skills, our in-depth work with care experienced young people who are not in employment, education or training, including prospecting other delivery modes and locations for this model.

Activate Creative Learning will see the Artswork Professional Development continuing to develop the quality of their online self-led learning products, using professional film, animation and gamification. They will add learning products around youth-led practice, will target new products, and seek to engage specific markets to meet higher income targets.

We will also continue to move towards our 2040 vision by delivering our youth-led creative space at the Playland site in Portsmouth. The project manager and an artist supporting in a development role, both young people, are already connecting with local young people and involving them in how they want this space to run, for themselves and their community. This includes strong connectivity with developing careers and entrepreneurialism, and a space hire model that is the first step towards finding a workable, sustainable financial model for this kind of space going forwards. This project, supported by investment from Artswork's reserves plus fundraising, is a key part of the organisation's exploration of future operating and business models.

Artswork's plan for its own organisational development that responds to ACE's Investment Principles will move forwards our youth leadership practice and find further ways to enable young people (including our Youth Board) to influence our work. As a team we will explore and develop our use of productivity tools, including our Customer Relationship Management system and other technology tools that increase efficiency, to save time and money, and drive income. We will continue to explore new approaches to consultancy and income-generating business, refining our approach to applications for major tenders and for development funding that cuts across multiple aspects of Artswork's programmes.

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

We will use our environmental impact data to ensure the team understands which practices can keep improving our performance and why they are effective, delivering the newly updated Environmental Action Plan. Artswork will hold whole team focused periods of learning around Dynamism, Environmental Responsibility, Inclusivity & Relevance and Ambition & Quality, and will continue to invite paid speakers to share their intersectional experiences with the whole team. Our team and Trustee Away Day this year will focus on Dynamism, and ways to increase income in a challenging financial environment – our team of creative thinkers have already suggested excellent ideas.

Artswork will continue to monitor and evaluate our achievements, learning through continuous feedback from participants and reporting achievements to communities, funders and other stakeholders.

Louise Govier, Chief Executive, Artswork

Structure, governance and management

The organisation is a charitable company, limited by guarantee, incorporated on 27th July 1987 and registered as a charity on 5th October 1988. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Artswork has an active and committed Board of Trustees with the necessary skills and experience to guide and govern the charity. New trustees are recruited using a variety of methods: via 'Board Bank' (including e.g. Inclusive Boards); personal recommendations by Chair, trustees, senior management team and other staff; from our pool of volunteers; through recruitment adverts. Trustees' Skills Audits identify potential skills gaps on the Board and inform Artswork's Board recruitment strategies.

Prospective new trustees meet with the Chair and Chief Executive prior to appointment and/or may be invited to a more formal interview process. Following appointment, they are supplied with a 'Governance/Induction Pack', containing: Artswork constitution; history of Artswork; all approved Artswork policies, including those outlining Artswork's commitment to Equalities, Environment and Safeguarding; most recent annual report; Charities Commission 'Role of Trustees' booklet; most recent minutes; most recent audited accounts; generic publicity information; declaration form and project information.

New Trustees attend a quarterly Board meeting and are nominated by an existing Trustee; this nomination is seconded by another Trustee (this is minuted). Annually, Artswork organises a Board and Staff Away Day, and all Trustees are encouraged to attend Artswork's projects, programmes and events.

At quarterly meetings, new policies are presented to the Board for approval. Key policies are also reviewed (usually annually) by Board and senior staff. Artswork's Business Plan and related annual work plans and budget forecasts are prepared by senior staff and approved by the Board. Management accounts are presented to the Board each quarter.

The Chief Executive is responsible for the day-to-day management of Artswork. She works with a senior team who have an overview of the Artswork's work (Chief Financial Officer; Deputy CEO) with input and advice from other members of the leadership team. In addition, there are a small number of other organisational teams who lead on our key areas of work:

- Placemaking team
- Careers and Professional Development team
- Finance and Operations team
- Communications, Sales & Marketing team

Trustees agree the operational and programme action plans and the staff team deliver these, reporting back on progression on a quarterly basis. Trustees set the salary of the Chief Executive. They also review pay and remuneration on an annual basis agreeing appropriate increases in line with sector benchmarking and with a guaranteed annual 2% increment. Sector benchmarking is generally undertaken every 3 years.

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

N Betjemann	
F Parkinson	
E Dyer	
J Shah	
A W G Nyachae	
L Thurbon	
K M Wanjiku	(Resigned 23 July 2024)
C Amedu	(Resigned 11 October 2024)
O Edwards	(Appointed 9 December 2024)
N Namazi	(Appointed 24 September 2025)

Members of the Board of Trustees

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees as of 31 March 2025 was 7. The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Funds held as custodian trustee

None.

Risk Review

The Chair and Chief Executive have carried out a risk assessment of the charitable company's activities. The risk assessment matrix produced also contains an assessment of fraud risk. The matrix has been fully reviewed by the Board of Trustees at Board Meetings. All Trustees are satisfied that the appropriate mechanisms are in place for the different functions of the organisation. The Board of Trustees has agreed to continue to monitor Artswork's risk assessment quarterly and review each project on an individual basis annually. Risk Assessment is a standard agenda item at all Board Meetings and the Chief Executive notifies Trustees of any potential issues which could activate changes in risk weighting.

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Statement of trustees' responsibilities

The trustees, who are also the directors of Artswork Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Auditor

The auditors, Fiander ETL, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Norine Betjemann
.....

N Betjemann

Trustee 4/12/2025 | 19:52 GMT

Dated:

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Appendix to the report – Programme Highlights 2024/25

See Artswork's website and our YouTube channel to find out more.

Artswork consolidated and built upon the strong achievements made during its first year as a National Portfolio Organisation for Arts Council England, with youth voice, youth-led practice and youth empowerment at the heart of its work.

The Activate Young Cultural Changemakers programme delivered 49 creative consultations with children and young people in the New Forest, on the Isle of Wight, in Slough, Arun and Dover, and additionally this year also in Gosport and Rushmoor. Each one offered a high-quality creative activity, encompassing many different art forms including protest song-writing, lantern-making, fabric dying using natural materials, dance, sculpture making, garden design, graffiti, poetry and spoken word, story writing, circus skills, stained glass window design, paint pouring, mural painting, mosaic construction and ceramics to a wide range of children and young people, from early years to 19+. Participants expressed their views about where they live, what they like to do and what they'd like to change. Concerns about belonging and identity, about personal safety, supporting mental health and wellbeing, about having interesting things to do, connecting with nature and promoting environmental sustainability were common, along with frustration about their town often mixed with pride, love and optimism for its future.

Artswork's Placemaking Creative Producers, supported by our Creative Producer Apprentices, worked with groups of different young people – from schools, youth groups, Pupil Referral Units, care-experienced young people and young people with significant disabilities and additional needs, as well as many others – to help them shape, develop and lead creative commissions that responded to their ideas and were designed to make a difference where they lived. This year we worked with some new groups from different communities, enabled by both the growing relationships that our Creative Producers are building in different Priority Places, and through a new Creative Producer who joined the team bringing additional contacts and relationships with some very underserved groups.

The commissions have included films and animations, art trails around communities, a well-being garden in a hospital, a Diwali lantern parade, the large-scale youth takeover festival Dover at Night, a junk band, accessible outdoor sculpture made by and for young people with disabilities and additional needs, community garden sculptures made from natural materials including a special kind of concrete made from mushrooms, public art for a park next to the Kent Mining Museum that reflects on the community's mining heritage, and redesigned wayfinding for a town centre that has been entirely designed by children working with an artist, to name just a few.

These projects have positively impacted the young people involved and been welcomed within the wider communities within which they have been sited. Key professionals in related sectors have also appreciated the social impact of our work, particularly where it engages young people who are involved in the Youth Justice system or on the fringes of it. At a private view of a photography exhibition on the Isle of Wight displaying work made by young people at risk of criminal activity, which was also published in a book, 100% of respondents agreed that involving more children at risk of criminal activity in creative projects like this could help to reduce crime, and that the exhibition will help change perceptions of children involved with the Youth Justice Service. The Director of Children's Services on the Isle of Wight praised Artswork's programme as: "A brilliant example of the potential of young people and the power of different organisations coming together with a shared purpose." 755 children and young people have also seen their skills development recognised through Digital Badges and Arts Awards, sometimes the first qualifications they have gained.

Activate Creative Careers has continued to develop and deliver, with impactful work at both primary and secondary school level around introducing creative careers. 100% of teachers involved in those programmes now feel more confident in discussing creative careers with their students, while 96% of secondary or FE college participants demonstrate a wider understanding of available creative careers.

ARTSWORK LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

Year 2 of the Breakthrough Programme offering 6 month paid early career jobs supported 20 young people take up roles in a range of different creative and cultural organisations across the south. The opportunity embeds training and mentoring alongside gaining real world practical experience and skills. At the same time, employers benefited from having creative young voices within their teams. Employers said: "They have doubled our Instagram followers in just a month". "Working with us on how we market to other young people, they have massively influenced our brand". "Really impressed how they have balanced their time, have a great work ethic, are pro-active – all the skills some people mistakenly believe are missing in young people". "They have made themselves in-dispensable – the person the whole team turns to, so pro-active, so positive, so can do."

Portsmouth Creative Skills exceeded target by working with 39 young people (target of 20), all of whom faced very significant challenges and were not in employment, education and training. It has retained a 100% score in the percentage of participants demonstrating increased confidence, improved relationship building, increased creative skills and reporting that they feel more positive towards education, employment and training. Artswork's RISE programme also offered 20 bursaries to young people aged 13-30 to develop their creative practice, with a diverse cohort working in different media from film and music to prop design, and all moving their creative work and business potential forwards.

Activate Creative Learning saw teams working with teachers on Continuing Professional Development and with whole schools on creative commissions that support environmental sustainability, including several 'vertipools' (new ceramic nature habitat) for urban marine environments in Gosport and animated films made by children to raise awareness of fragile kelp forests off the Sussex coast. Artswork Professional Development promoted our ranges of both self-led online courses and increased the clientele for in-house bespoke training and live online sessions, increasing income generation and beating the stretch targets they were given. Clients now include the Houses of Parliament, Bodmin Keep, Yorkshire Sculpture Park, Ironbridge Museum, Hepworth Wakefield, London Transport Museum, Scottish Ballet, and English National Opera, alongside long-term repeat clients including the Victoria & Albert Museum, the National Gallery and Southbank Centre.

Artswork was also commissioned additionally by Arts Council South East to devise and deliver a series of four very well-attended online sessions aimed at increasing confidence around youth voice and youth-led practice across the South East, building a community of practice. The final session was entirely led by young people who shared their journeys from engagement in youth activities through co-creation and into youth-led, independent action designed to make change.

Artswork has also continued to be commissioned to deliver services for other stakeholders, such as Hampshire's Violence Reduction Unit. The Choices programme has seen Artswork partner with BearFace to deliver an innovative drama-based learning programme in schools across Hampshire and the Isle of Wight. Year 6 and Year 7 pupils explore scenarios in which they might need to choose a course of action that could affect their personal safety and that of other people. They respond to animations voiced by young people currently in the justice system and rehearse the decisions they could take and the consequences those might have, preparing for making positive decisions in real life.

Artswork's delivery with children, young people, and the professionals who work with them is supported by several core teams: Finance and Operations; Business Development; Communications, Sales & Marketing; and Data, Evaluation & Impact. These teams provide essential capacity and resource to create and sustain support structures for the new programmes Artswork has been delivering, and ensure that they are managed, delivered and evaluated successfully, in line with our legislative and governance responsibilities, particularly around data collection and protection. The Communications, Sales & Marketing team has made effective use of video to tell the stories of the work we do and share the impact it has made for young people and the communities in which they live. Crucially during this year, they have redesigned Artswork's website and refreshed its branding, so that both are now far more reflective of our work and are easier for key audiences and clients to navigate.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTSWORK LIMITED

Opinion

We have audited the financial statements of Artswork Limited for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARTSWORK LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARTSWORK LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- tested a sample of BACS payments to identify payments being made to unexpected bank accounts.
- performed transactional testing on payroll costs in respect of those employees with responsibility or authority in connection with the payroll function.
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARTSWORK LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Buse

Adam Buse FCA (Senior Statutory Auditor)

For and on behalf of Fiander ETL, Statutory Auditor

Chartered Accountants

Stag Gates House

63/64 The Avenue

Southampton

Hampshire

SO17 1XS

Date: 5/12/2025 | 11:25 GMT

Date:

ARTSWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	-	-	-	472	-	472
Charitable activities	5	88,765	1,704,241	1,793,006	87,978	1,784,605	1,872,583
Investments	4	65,621	-	65,621	57,236	-	57,236
Total income		154,386	1,704,241	1,858,627	145,686	1,784,605	1,930,291
Expenditure on:							
Charitable activities	6	24,287	1,651,794	1,676,081	29,646	1,601,992	1,631,638
Total expenditure		24,287	1,651,794	1,676,081	29,646	1,601,992	1,631,638
Net income		130,099	52,447	182,546	116,040	182,613	298,653
Transfers between funds		100,000	(100,000)	-	91,942	(91,942)	-
Net movement in funds	7	230,099	(47,553)	182,546	207,982	90,671	298,653
Reconciliation of funds:							
Fund balances at 1 April 2024		760,345	1,030,411	1,790,756	552,363	939,740	1,492,103
Fund balances at 31 March 2025		990,444	982,858	1,973,302	760,345	1,030,411	1,790,756

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

ARTSWORK LIMITED**BALANCE SHEET****AS AT 31 MARCH 2025**

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	12		975		4,236
Current assets					
Debtors	13	24,927		16,378	
Cash at bank and in hand		2,031,473		1,855,895	
		<u>2,056,400</u>		<u>1,872,273</u>	
Creditors: amounts falling due within one year	14	<u>(84,073)</u>		<u>(85,753)</u>	
Net current assets			<u>1,972,327</u>		<u>1,786,520</u>
Total assets less current liabilities			<u>1,973,302</u>		<u>1,790,756</u>
The funds of the charitable company					
Restricted income funds	17		982,858		1,030,411
Unrestricted funds	18		990,444		760,345
			<u>1,973,302</u>		<u>1,790,756</u>

The financial statements were approved by the trustees on 4/12/2025 | 19:52 GMT

Norine Betjemann

N Betjemann

Trustee

Company registration number 02150619 (England and Wales)

ARTSWORK LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	2025		2024	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	21		109,957		203,084
Investing activities					
Investment income received		65,621		57,236	
Net cash generated from investing activities			65,621		57,236
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			175,578		260,320
Cash and cash equivalents at beginning of year			1,855,895		1,595,575
Cash and cash equivalents at end of year			2,031,473		1,855,895

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Artswork Limited is a charitable company limited by guarantee incorporated in England and Wales. The registered office is 142-144 Above Bar Street, Southampton, SO14 7DU.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum of Association, 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 charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company 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.

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised in full in the Statement of Financial Activity in the year in which they are receivable. Grants related to specific performance outputs or service level agreements are classified as incoming resources for charitable activities and are recognised when the charitable company has earned entitlement.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised in the period to which they relate. The value of any liability includes irrecoverable VAT where applicable.

Resources expended are allocated directly to the relevant activity, project or fund as far as possible and in accordance with the agreed funding terms.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% reducing balance
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 payments 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

In the application of the charitable company'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 ongoing 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.

The trustees consider there are no critical judgements or sources of estimation uncertainty in the financial statements.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	-	472

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	65,621	57,236

5 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Charitable Income						
Educational income	88,765	209,359	298,124	87,978	226,391	314,369
Performance related grants	-	1,494,882	1,494,882	-	1,558,214	1,558,214
	<u>88,765</u>	<u>1,704,241</u>	<u>1,793,006</u>	<u>87,978</u>	<u>1,784,605</u>	<u>1,872,583</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Income from charitable activities (Continued)

Performance related grants analysis

	Charitable Income 2025 £	Charitable Income 2024 £
NPO 23-26	1,429,508	1,412,050
Other	65,374	146,164
	<u>1,494,882</u>	<u>1,558,214</u>

6 Expenditure on charitable activities

	Charitable Expenditure 2025 £	Charitable Expenditure 2024 £
Direct costs		
Staff costs	896,507	808,436
Depreciation and impairment	3,261	8,093
Programme delivery	762,113	804,279
	<u>1,661,881</u>	<u>1,620,808</u>
Share of support and governance costs (see note 8)		
Governance	14,200	10,830
	<u>1,676,081</u>	<u>1,631,638</u>
Analysis by fund		
Unrestricted funds	24,287	29,646
Restricted funds	1,651,794	1,601,992
	<u>1,676,081</u>	<u>1,631,638</u>

7 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	12,964	9,600
Depreciation of owned tangible fixed assets	3,261	8,092
	<u>16,225</u>	<u>17,692</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Governance costs

	Governance costs £	2025 £	Governance costs £	2024 £
Audit fees	12,964	12,964	9,600	9,600
Accountancy	1,236	1,236	1,230	1,230
	<u>14,200</u>	<u>14,200</u>	<u>10,830</u>	<u>10,830</u>
Analysed between Charitable activities	<u>14,200</u>	<u>14,200</u>	<u>10,830</u>	<u>10,830</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 1 of them was reimbursed a total of £58 travelling expenses (2024 - 2 trustees received reimbursements totalling £65).

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Full time	14	11
Part time	16	19
Total	<u>30</u>	<u>30</u>

Employment costs

	2025 £	2024 £
Wages and salaries	808,649	728,749
Social security costs	63,120	60,681
Other pension costs	24,738	19,006
	<u>896,507</u>	<u>808,436</u>

The number of employees on a full time equivalent basis was 23 (2024: 22).

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

10 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000 to £70,000	1	1

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	283,514	292,664

None of the key management personnel are trustees or directors.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2024	1,516	87,871	89,387
Disposals	-	(63,598)	(63,598)
At 31 March 2025	1,516	24,273	25,789
Depreciation and impairment			
At 1 April 2024	1,510	83,641	85,151
Depreciation charged in the year	1	3,260	3,261
Eliminated in respect of disposals	-	(63,598)	(63,598)
At 31 March 2025	1,511	23,303	24,814
Carrying amount			
At 31 March 2025	5	970	975
At 31 March 2024	6	4,230	4,236

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	10,450	10,193
Other debtors	2,960	3,305
Prepayments and accrued income	11,517	2,880
	<u>24,927</u>	<u>16,378</u>

14 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Other taxation and social security		18,319	15,099
Deferred income	15	3,498	2,975
Trade creditors		49,553	56,011
Accruals		12,703	11,668
		<u>84,073</u>	<u>85,753</u>

15 Deferred income

	2025	2024
	£	£
Other deferred income	<u>3,498</u>	<u>2,975</u>

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	<u>3,498</u>	<u>2,975</u>
Movements in the year:		
Deferred income at 1 April 2024	2,975	6,860
Released from previous periods	(2,975)	(6,860)
Resources deferred in the year	<u>3,498</u>	<u>2,975</u>
Deferred income at 31 March 2025	<u>3,498</u>	<u>2,975</u>

Deferred income relates to course booking fees received in advance. The entirety of the balance at 31 March 2024 had been released to the SOFA in the year ended 31 March 2025.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	24,738	19,006
	<u>24,738</u>	<u>19,006</u>

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

A total of £3,573 (2024 - £2,498) of these contributions were unpaid as at the balance sheet date.

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Bridge	571,164	-	(42,730)	(100,000)	428,434
Apprenticeships	-	29,639	(29,639)	-	-
Playlands	-	25,000	(16,701)	-	8,299
Breakthrough Programme	-	29,250	(147,395)	118,145	-
Schools Violence Reduction	14,099	110,000	(100,760)	-	23,339
NPO 23-26	437,379	1,497,500	(1,292,755)	(118,145)	523,979
Naval Childrens Charity	7,769	2,117	(9,886)	-	-
Youth Voice	-	10,735	(11,928)	-	(1,193)
	<u>1,030,411</u>	<u>1,704,241</u>	<u>(1,651,794)</u>	<u>(100,000)</u>	<u>982,858</u>

ARTSWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

17 Restricted funds						(Continued)
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024	
	£	£	£	£	£	
Bridge	834,245	-	(263,081)	-	571,164	
Portsmouth Skills	9,207	19,898	(29,105)	-	-	
Arun	45,380	30,000	(75,380)	-	-	
Let's Create	133	-	(133)	-	-	
Youth Endowment Fund	10,343	-	(10,343)	-	-	
Kickstart	12,718	-	(12,718)	-	-	
Apprenticeships	(2,134)	38,240	(36,106)	-	-	
Schools Violence Reduction	29,848	110,800	(126,549)	-	14,099	
NPO 23-26	-	1,496,074	(847,677)	(211,018)	437,379	
Naval Childrens Charity	-	11,505	(3,736)	-	7,769	
Breakthrough Programme	-	20,062	(139,138)	119,076	-	
Artsmark	-	58,026	(58,026)	-	-	
	<u>939,740</u>	<u>1,784,605</u>	<u>(1,601,992)</u>	<u>(91,942)</u>	<u>1,030,411</u>	

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Restricted funds

(Continued)

a) Bridge

Aims to improve outcomes for children and young people through the integration of arts, culture, and education. This strategic initiative focused on working with partners such as local authorities and arts and cultural organisations to foster aspiration and ambition among young people and enhance their life chances, wellbeing and opportunities.

Since 23/24 we have been using committed carry forward from the 2018-22 grant.

b) Naval Childrens Charity

A short programme of activities led by Artswork in partnership with the Naval Childrens Charity in which the children of current and veteran forces families learnt about the range of creative careers and pathways into creative work and careers. The programme completed in 2024.

c) Portsmouth Creative Skills Programme

A pre-employability programme designed to equip care experienced young people in challenging circumstances with life skills, work experience, creative expression and confidence building opportunities. In 23/24 we were partly using committed carry forward from 2022/23. This work is now part of our ACE NPO funded work.

d) Arun

A cultural development programme for and by children and young people in the District of Arun which includes the towns of Bognor Regis, Littlehampton and Arundel. We work with local stakeholders and in partnership to create meaningful new creative opportunities in communities and schools. This work is part of our ACE NPO Young Cultural Changemakers programme.

e) Let's Create

To facilitate and produce an online workshop and accompanying resources suitable for children in participating schools.

f) Breakthrough

A paid 6-month training and work placement scheme for young people run in the south east with SME employers. The programme provides entry level work opportunities alongside employability training. Artswork uses NPO grant funding to reimburse the wages, NI & pension contributions of the participating employees and their host employers contribute a training fee to Artswork.

g) NPO 23-26

Main grant programme for 2023-26 that delivers against Arts Council England strategic objectives, principles and targets. Three strands of work: Young Cultural Changemakers, Creative Careers and Creative Learning. This fund underpins most of Artswork's operational costs.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Restricted funds

(Continued)

h) Youth Endowment Fund

The work aims to prevent children and young people from becoming involved in crime and violence. The National Peer Research and Social Action Network is working to:

- Gain a deeper understanding of young people's experiences of violence and the factors that could prevent it
- Create strong local networks and relationships for change
- Help children and young people develop skills and access opportunities
- Achieve direct change in people's communities

Artswork employed and led a team of young Peer Researchers to design the research, recruit and interview participants about their experiences of crime and violence and enlisting participants to become Changemakers. The programme ran from summer 2021 until March 2023.

i) Kickstart

Employment programme for young people at risk of long-term unemployment. The DWP Grant required Artswork to deliver a 6 month employment and training programme in partnership with its Gateway partner Real Ideas Organisation. The Grant covers the salary, national insurance and pension contributions for each employee plus set-up, training and support costs for each participant. The programme ran between July 2021 and September 2022.

j) Apprenticeships

An employability programme providing young people the opportunity to work in the creative industries on a combined programme of work and learning to enable them to develop the knowledge, skills and confidence to start a career in the arts.

k) Schools Violence Reduction

Training services for the Year 6 and Year 7 Schools Project that works to reduce knife crime, gang violence, county lines involvement and promote healthy peer relationships. Artswork is providing inset training for teachers and classroom training for pupils.

l) Artsmark

Encourage and support schools, education and youth justice settings to apply for the Artsmark accreditation, a kitemark for creativity in education.

This work was part of our Bridge programme and we received additional funds in 23/24 to continue delivery before the new service provider commenced the role in August 23.

m) Playlands

A youth-led creative hub run in collaboration with Portsmouth Creates to provide a safe space for young people to express themselves, develop skills and explore creative careers.

n) Youth Voice

An additional project we were asked to deliver by Arts Council England South East to promote a better understanding of youth voice in the arts for their staff.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Movement in funds						
	Balance at 1 April 2023	Resources expended	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	Balance at 31 March 2025
	£	£	£	£	£	£	£
Redundancy Provision	-	-	-	-	-	100,000	100,000
Artwork Professional Development	-	-	-	88,765	(24,287)	134,336	198,814
International Development	537	(537)	-	-	-	-	-
	<u>537</u>	<u>(537)</u>	<u>-</u>	<u>88,765</u>	<u>(24,287)</u>	<u>234,336</u>	<u>298,814</u>

a) International Development

This was a fund designated to support Artwork in the development of international partnerships. Artwork's CEO travelled to Chile in August 2017 to deliver a presentation at an international symposium run by Balmaceda Arte Joven – a Chilean youth arts organisation. The CEO was supported by Arts Council England (International Artists Development Fund) and by the Anglo-Chilean Society with only a small amount drawn down from Artwork's designated fund. This fund was closed in March 2024.

b) Artwork Professional Development (APD)

This is APD carry forward from prior years supplies of educational services. It is retained and used for the continued supply of educational services through our APD programme.

c) Redundancy Provision

This is provision from Fund 23 for future costs to the charity. It comprises potential retention and redundancy payments for employees who qualify in the event of further core funding not being secured.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

19 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2025 are represented by:				
Tangible assets	-	-	975	975
Current assets/(liabilities)	691,630	298,814	981,883	1,972,327
	<u>691,630</u>	<u>298,814</u>	<u>982,858</u>	<u>1,973,302</u>

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2024 are represented by:				
Tangible assets	-	-	4,236	4,236
Current assets/(liabilities)	760,345	-	1,026,175	1,786,520
	<u>760,345</u>	<u>-</u>	<u>1,030,411</u>	<u>1,790,756</u>

20 Financial commitments, guarantees and contingent liabilities

The charitable company is committed to pay £944,822 (2024 - £1,030,412) in relation to funding agreements agreed with providers for programme delivery where payment conditions have not yet been met.

21 Cash generated from operations

	2025 £	2024 £
Surplus for the year	182,546	298,653
Adjustments for:		
Investment income recognised in statement of financial activities	(65,621)	(57,236)
Depreciation and impairment of tangible fixed assets	3,261	8,093
Movements in working capital:		
(Increase)/decrease in debtors	(8,549)	11,583
(Decrease) in creditors	(2,203)	(54,124)
Increase/(decrease) in deferred income	523	(3,885)
Cash generated from operations	<u>109,957</u>	<u>203,084</u>

22 Analysis of changes in net funds

The charitable company had no material debt during the year.

ARTSWORK LIMITED

England & Wales - Charity number 800143

Accounts

Charity Registration No. 800143

Company Registration No. 02150619 (England and Wales)

ARTSWORK LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

ARTSWORK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	N Betjemann F Parkinson E Dyer J Shah A W G Nyachae L Thurbon	(Appointed 6 December 2023)
Secretary	S Warwick	
Charity number	800143	
Company number	02150619	
Registered office	142-144 Above Bar Street Southampton SO14 7DU	
Auditor	Fiander Tovell Limited Stag Gates House 63/64 The Avenue Southampton Hampshire SO17 1XS	
Bankers	Santander UK PLC Business and Corporate Banking Operations Bridle Road Bootle Merseyside L30 4GB	
	Unity Trust Bank PLC Nine Brindley Place 4 Oozells Square Birmingham B1 2HB	
	Triodos Bank UK Deanery Road Bristol BS1 5AS	

ARTSWORK LIMITED

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ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

The Trustees present their report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, subsequently updated with effect from January 2019 (FRS 102).

Introduction

At Artswork we strive to make the arts and creativity available to everyone. We aim to break through barriers and develop new ways for people to discover the success, empowerment and sheer joy that the arts and creativity can bring to classrooms, communities and careers.

Imagine if... all our children were happy and confident, strong in their sense of self and the world that they live in.

Imagine if... every child – irrespective of race, background, wealth, identity or ability - felt valued, heard and represented.

Imagine if... we gave them all the opportunity to explore and fulfil their potential in a future that we are all making together.

Imagine if... we kept a sense of wonder, creativity and learning throughout our lives.

The Artswork team works regionally, nationally and internationally to make these aspirations a reality.

Chair's Statement 2023/24

2023/24 was our first year as an Arts Council National Portfolio Organisation. Artswork moved from being a Sector Support Organisation to being engaged in direct delivery. 'Activate' became the mantra as we delivered new work and underpinned existing relationships that would empower children, young people and those that work with them.

Youth voice has been central to everything we've been doing. The **Activate Young Cultural Changemakers** programme grew from our Arun Inspires model. This expanded programme delivered creative consultations in five key Priority Places in 2023-24: the New Forest, Isle of Wight, Slough, Arun and Dover. We learned what young people like and want from the places in which they live and work and what they feel is lacking. Recurring themes of safety, mental health and wellbeing, as well as a deeply felt concern about the environment emerged. This enabled our Placemaking Creative Producers and Creative Producer Apprentices to engage with children and young people in a variety of settings to develop and lead initiatives that responded to local need. In Slough young people presented 'Safe & Sound' at the Curve. The day was designed to draw wider attention to positive activities as opposed to anti-social or violent behaviour. More than 100 young people took part in skills workshops in DJing, creative writing, dance and virtual reality explorations of sculpture, and voiced their concerns and hopes for the future.

Our **Activate Creative Careers** strand inspired young people from primary school age through to those entering the workplace to develop an interest in and be supported into creative careers. Events such as the Isle of Wight Creative Careers taster day led to 91% of participants demonstrating a wider understanding of available creative careers, 92% of participants feeling the event enabled them to access activities they wouldn't usually have access to, 83% of teachers feeling more confident discussing creative careers with their students and 100% of teachers feeling the session helped their students find out more about pathways into the creative industries.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

The Breakthrough programme placed 20 young people with employers for 6 month paid work opportunities. 100% of participants completed their work and training programme and developed knowledge, skills and experience. One participant reflected: "I'm expanding my knowledge when it comes to diversity, inclusion and the lived experiences of members of my local community. Taking on this job role was a new challenge for me and I'm really glad that I was given the opportunity!" The programme also provided creative sector employers with ways to embed youth voice in their organisations.

9 Apprentices trained with Artswork during the year and the RISE bursary provided recipients (aged 13-25) with micro-investments of £500 each to develop their creative practice. As one Apprentice said: "My Apprenticeship has opened new doors of opportunity for what I'd like to do as a career. I have a much better understanding of the creative industries and where I'd like to fit into that."

Portsmouth Creative Skills has gone from strength to strength. During 2023/24 it supported 20 young people who were not in education, training or employment to explore the creative industries, develop their skills and increase their confidence through initiatives such as an intensive 6-week pre-employment training scheme that targeted the most disadvantaged and underserved young people.

Artswork remains committed to supporting schools-based arts and creative learning through our **Activate Creative Learning** programme which provides Continuing Professional Development opportunities for teachers. Courses built on aspects of Artswork's Golden Threads approach of weaving creativity into different learning settings and aspects of education. The programme enabled creative commissions involving whole schools or Multi-Academy Trusts which were led by youth voice, developed teachers' practice, and supported schools to use creativity to explore environmental sustainability.

Artswork Professional Development is a key driver of increased income generation through online self-led courses and highly popular live online and in-person training sessions. We developed tailored professional development packages for organisations including the Crafts Council, Derby Theatre, Marlow Theatre, National Archives, Southbank and V&A.

During 23/24 we partnered with BearFace Theatre to deliver the Choices programme in schools. The work delivered for the Police and Crime Commissioner for Hampshire and the Isle of Wight uses theatre-based techniques that enable year 6 and year 7 pupils and their teachers to examine the risks and impact of knife crime and the dangers of exploitation and other violence. It supports participants to identify and try out solutions and enables them to build positive relationships that will lead to progressive change in their communities. Feedback has been extremely positive with teachers saying, "It really changed the way I think about approaching these topics with students".

2023/24 was a challenging but extremely rewarding year. Artswork enabled nearly 6,000 children and young people to make active change in their communities through creative consultations and youth-led creative commissions. These positively impacted more than 20,000 members of the wider community – a significant achievement in the first year of this new work.

Artswork underwent significant structural change to make the transition from being a Bridge organisation to being a National Portfolio Organisation. I want to commend the Senior Leadership Team, as well as all staff, for their openness to new ways of working and for continuing to deliver, with passion and commitment, Artswork's mission of improving the life chances of children and young people.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

As I said at the outset, youth voice is central to our work. Our Youth Board has provided meaningful insights into how we can best deliver the 'now' and how we can hone the Artswork of the future - thank you to them. In addition, I want to thank all our Trustees for their support in realising our new remit, in considering the route map forward and in underpinning the Arts Council's Investment Principles of Inclusivity & Relevance, Dynamism, Ambition & Quality, and Environmental Responsibility. Finally, thanks to Arts Council England, and to all our funders for their continued support, without which this work would not be possible.

Norinne Betjemann
Chair

Artswork Trustees 2023/24

The trustees, who are also the directors for the purpose of company law, and who served in the year were:

Norinne Betjemann (appointed May 2016)
Fiona Parkinson (appointed May 2016)
Dr Emma Dyer (appointed February 2017)
Jason Jones – Hall (appointed December 2018, resigned 29 February 2024)
Wanjiku Nyachae (appointed December 2020)
Jayanti Shah (appointed March 2022)
Christopher Amedu (appointed December 2023, resigned 11 October 2024)
Kevin Mutheci Wanjiku (appointed December 2023, resigned 23 July 2024)
Lisa Thurbon (appointed December 2023)

Artswork Leadership Team 2023/24

Louise Govier – Chief Executive (appointed August 2020)
Sarah Warwick – Chief Finance Officer
Annabel Cook – Deputy Chief Executive
Donna Vose – Head of Budgets, Contracts & Policy
Lucy Marder – Head of Business Development

See full Artswork team: <https://artswork.org.uk/about-us/staff-trustees-trainers/>

Artswork's Aims, Objectives and Activities

The trustees have paid due regard to guidance issued by the Charity Commission on public benefit on deciding what activities the charity should undertake.

At Artswork we believe in the power of the arts and creativity to:

- Fundamentally shape happier and healthier children and young people
- Broaden horizons, open opportunities and enrich the lives of children and young people
- Make a difference from birth - we sing before we talk, we dance before we walk
- Help develop skills and experiences enabling all children and young people to thrive, progress and achieve
- Enable and inspire expression for everyone

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

We achieve our mission through:

- Enabling children and young people from any background to find their voice and encouraging others to listen to and support them
- Devising and delivering inclusive programmes that empower the most under-represented young people to lead change in their communities
- Developing young people's skills, for their own growth and as future cultural leaders
- Working in partnerships across cultural organisations and education to create lasting change
- Delivering creative training that nurtures innovation and progress in cultural organisations, learning settings and a wide range of other contexts including healthcare and Local Authorities.

The objectives of the charity are to promote, maintain, improve, and advance public education, appreciation and understanding of youth arts. The charitable company continues to explore new ways of improving provision for children and young people in creative activities.

Public benefit aims

Public benefit is at the heart of what Artswork does. In the second year of our current business plan, Artswork is delivering its mission through the following key public benefit aims:

1. Empower young people of all ages through creativity, including listening to children and young people through creative consultations and enabling them to lead and deliver creative commissions that will make a difference where they live.
2. Lead and strengthen arts and cultural engagement with children and young people, by activating young cultural changemakers, creative careers and creative learning.
3. Recognise, facilitate and lead the development of opportunities for work-based learning, employability and entrepreneurship.
4. Enhance expertise, skills, knowledge and understanding of the arts and culture in work for, with and by children and young people, developing through training the skills of people working in a wide range of contexts.
5. Collect and share evidence of good practice and success stories regionally, nationally and internationally, particularly around youth voice and youth-led practice centred on creativity.
6. Practice effective governance, leadership and management of Artswork.

We deliver our aims through three main strategic programmes as an Arts Council England funded National Portfolio Organisation which generates additional income through training and consultancy:

- Activate Young Cultural Changemakers - place-based programmes in Arun, Dover, Isle of Wight, New Forest and Slough. We hold creative consultations that enable young people locally to express their views, and then enable young people to respond to those ideas by

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

leading and delivering Changemaking creative commissions that will make a difference where they live.

- Activate Creative Careers – enabling equitable routes for young people into creative careers, from building awareness in primary schools to careers tasters for secondary students, and a range of work-based training and skills development programmes.
- Activate Creative Learning – advocating for and developing creative learning, including continuing professional development for teachers; creative commissions within learning settings that develop practice; training and consultancy for a wide range of organisations that work with and for young people.

Trustees monitor performance on a quarterly basis and measure this against key performance indicators, budget allocation and spend.

The Year in Numbers

During 2023/24, Artswork:

- enabled **5,797** young people to make active change in their communities through **58** youth consultations and **18** youth-led creative commissions
- **90%** of young people we worked with felt heard
- **20,813** members of the wider community in key places felt positively impacted by our youth-led Changemaking creative commissions
- **2,319** adults took part in Artswork Professional Development, through **24** in-house and open training courses
- **2,215** children and **53** teachers took part in Choices, our creative approach to violence reduction training for pupils in Years 6 and 7
- **69** young people improved their careers prospects and skill levels through our in-depth work and practice-based support, including intensive skills programmes for young people facing significant challenges, our 6-month paid Breakthrough employability scheme, and Apprenticeships
- **21** young people used Artswork's RISE micro-investments to develop their creative practice or business
- We supported **14** members of our youth board, bringing in new members from our place-based work
- **82%** of people taking part in our programmes felt their confidence had improved

A full summary of activities and achievements is contained in the Appendix to this report.

Financial Review 2023/24

Artswork's income in the financial year 2023/24 decreased moderately compared to 2022/23. This was due to the transition between Artswork's previous programme portfolio and the start of our new role, during which several programmes came to an end. 2023/24 was our first year as a National Portfolio Organisation and we saw investment of £1,394,508 from Arts Council England.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

Artswork has again been successful in generating programme income from a range of sources, including local and national agencies, and via delivery and receipt of training and event fees. Artswork controls expenditure well, both within core and project budgets. We also maintain healthy reserves. Artswork's Professional Development programme continues to generate a steady and sustainable income stream.

The ongoing use of effective control and tracking systems (including purchase orders and ongoing interrogated budgeting) has produced clarity in short-term and long-term financial planning and management. Regular reviews of Artswork's financial planning and management accounts at Trustee board meetings have enabled the Trustees to maintain a consistent and detailed overview of the charity's financial progress and achievements.

Principal funding sources and activities 2023/24

Artswork achieved income from a range of sources during 2023/24. We also maintained excellent accounts and financial processes – evidenced by a complimentary report on the prior year from our auditors, Fiander Tovell.

Funds raised included:

- Arts Council England – £1,394,508 to deliver the NPO role
- Arun District Council - £30,000 for our placemaking work in Arun
- Naval Children's Charity – £11,505 for Your Creative Futures, a bespoke activity designed and delivered for young people accessing this organisation's services
- Police & Crime Commissioner for Hampshire & Isle of Wight – £110,800 to deliver Choices, a Schools Violence Reduction programme
- Employers' training contributions - £20,000 for the Breakthrough programme

Reserves Policy

Artswork, like many small charities, has limited opportunity to generate unrestricted income. Through continued careful budget forecasting, application for full cost recovery where possible, strict management of expenditure and utilisation of high interest bank accounts, Artswork has continued to build up reserves of £626,008 for general contingency requirements. Artswork aims to retain at least £210,000 of unrestricted funds. Designated funds are established by Trustees for specific future spending plans and projects, and after making these designations, the Trustees seek to retain a general fund to cover 12 months core running costs and closure costs, not specifically met by programme grants.

Going Concern

Artswork has been innovative in its delivery over the last year and is opening new markets by responding to sector change, through online delivery and increased referrals, and in making successful grant applications and by winning tenders. The charity has repositioned its programme delivery to respond to Arts Council England's Creative People, Communities and Country agenda. Simultaneously Artswork has offered a new model enabling creative sector employers to provide training and work opportunities for young people and continues its Apprenticeship offer. Specifically, the following highlights the rationale for Artswork regarding itself as a going concern.

- 1) New Arts Council England National Portfolio Organisation (NPO) funding for 2023-2026
- 2) New grant funding for programmes from national and regional partners
- 3) An increase in unrestricted revenue from training courses and consultancy
- 4) Artswork reviewed all areas of its operational and programme budgets to model new costings for 2024/25 onwards and has allocated savings into emerging growth

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

opportunities. The charity is confident that the budget for 2024 - 2026 is sound and achievable

- 5) Artswork will continue to implement its fundraising strategy to achieve growth by seeking funds from a range of sources to enable it to deliver its plans
- 6) Artswork has an additional amount of free reserves (after agreed allocations and designations) which provides further contingency if required.

Environmental Responsibility

Artswork has committed to a comprehensive set of targets and responsibilities to reduce the ecological impact of our work and programmes. Our Environmental Action Plan is aligned to UN Sustainable Development Goals and national policy to achieve a 78% reduction in greenhouse gas emissions by 2035. This year we re-calculated the baseline for our measurable scope 2 and 3 emissions based on changes in government conversion factors for homeworking, and by considering more of our supply chain and digital footprint emissions. This saw our measurable emissions increase to 18.2 tonnes of CO₂e which presents a more accurate picture of Artswork's impact.

Artswork's ambition is to:

- calculate and understand our emissions data to set ambitious and achievable targets
- advocate for a transition to a low-carbon creative sector and society
- increase our employees and Trustees awareness, knowledge and understanding
- enable employee and Trustee training and volunteering

See Artswork's website for more information.

During 2023/24, Artswork:

- Calculated our emissions as 18.2 tonnes
- Maintained the charity's no fly policy
- Supported a creative sustainability programme for young people in schools in our Placemaking areas with 2022 participants
- Planted 20 trees in schools to improve biodiversity and air quality. These trees are buddied with a Verified Carbon Standard scheme operating in Cambodia and Congo which guarantees carbon credits for 20 tonnes of CO₂
- Continued advocacy work by commissioning youth voice to share Artswork's environmental journey and progress through social media and our website

Plans for 2024/25 onwards

We will continue to build on the success of 2023/24, Year 1 of our current role as an Arts Council England (ACE) National Portfolio Organisation (NPO), further delivering on ACE's Let's Create strategy.

Artswork's Activate Young Cultural Changemakers programme will extend its impact in the New Forest, Isle of Wight, Slough, Arun and Dover with further creative consultations and youth-led creative commissions that respond to young people's concerns, enabling them to create positive

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

change in their communities. The training that supports these young people will be more flexible, recognising experiential learning gained by practical experience. We will generate more in-kind support and additional income to supplement this work as local businesses and stakeholders are better able to understand it and see its impact through the evidence of Year 1 outputs such as wellbeing gardens, murals, exhibitions and festivals that are now being enjoyed by communities.

Our Activate Creative Careers programme will extend its work with schools around careers awareness, taster sessions and the development of equitable models for work experience, from primary through to secondary and 16+ options. We will increase the number of RISE micro-investments that enable young people to develop their creative practice to 25, and extend the age group eligible to apply to 13-30 year olds, responding to need expressed in Year 1. We will focus our Breakthrough 6 month paid employability programme wherever possible on Priority Places, recognising that there is increased demand for these places from employers following the success of Year 1. We will continue to train and support Apprentices and will also explore alternatives for a one-year work-based training option that meets more of the needs of both young people and employers. We will continue to deliver and adapt Portsmouth Creative Skills, our in-depth work with care experienced young people who are not in employment, education or training, including how and where else we could deliver using this model.

Activate Creative Learning will see Artswork supporting more teachers with continuing professional development and extending our sustainability focused whole school or Multi Academy Trust commissions in Gosport and Rushmoor. The Artswork Professional Development team's work will see a shift from the focus on product development that drove much of their work in Year 1, concentrating now on: marketing and engagement with existing products, building our pool of trusted trainers, and developing a suite of learning products around youth-led practice. ACE have also commissioned us to lead on and deliver a series of online learning sessions designed to build confidence around youth voice and youth-led practice in multiple organisations across the south.

Artswork's plan for its own organisational development that responds to ACE's Investment Principles will focus on moving forwards our youth leadership practice and finding further ways to enable young people (including our Youth Board) to influence our work. As a team we will explore and start to use more productivity tools, including our Customer Relationship Management system and other technology tools that increase efficiency, to save time and money, and drive income to meet stretch targets. We continue to explore new approaches to consultancy and income-generating business and will add staffing support around fundraising and development.

We will use our environmental impact data to ensure the team understands which practices can keep improving our performance and why they are effective. Artswork will hold whole team focused periods of learning around Access, Equality, Diversity and Inclusivity and Environmental Responsibility. We will also undertake a range of measures to enable the organisation to move towards our 2040 vision, including a pilot project that we aim to run in Portsmouth (partnering with Portsmouth Creates) where we enable young people to take over, programme and run a new creative space in the town centre which will also have support for young creative entrepreneurs.

Artswork will continue to monitor and evaluate our achievements, learning through continuous feedback from participants and reporting achievements to communities, funders and other stakeholders.

Louise Govier, Chief Executive, Artswork

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

Structure, Governance and Management

The organisation is a charitable company, limited by guarantee, incorporated on 27th July 1987 and registered as a charity on 5th October 1988. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Artswork has an active and committed Board of Trustees with the necessary skills and experience to guide and govern the charity. New trustees are recruited using a variety of methods: via 'Board Bank' (including e.g. Inclusive Boards); personal recommendations by Chair, trustees, senior management team and other staff; from our pool of volunteers; through recruitment adverts. Trustees' Skills Audits identify potential skills gaps on the Board and inform Artswork's Board recruitment strategies.

Prospective new trustees meet with the Chair and Chief Executive prior to appointment and/or may be invited to a more formal interview process. Following appointment, they are supplied with a 'Governance/Induction Pack', containing: Artswork constitution; history of Artswork; all approved Artswork policies, including those outlining Artswork's commitment to Equalities, Environment and Safeguarding; most recent annual report; Charities Commission 'Role of Trustees' booklet; most recent minutes; most recent audited accounts; generic publicity information; declaration form and project information.

New Trustees attend a quarterly Board meeting and are nominated by an existing Trustee; this nomination is seconded by another Trustee (this is minuted). Annually, Artswork organises a Board and Staff Away Day, and all Trustees are encouraged to attend Artswork's projects, programmes and events.

At quarterly meetings, new policies are presented to the Board for approval. Key policies are also reviewed (usually annually) by Board and senior staff. Artswork's Business Plan and related annual work plans and budget forecasts are prepared by senior staff and approved by the Board. Management accounts are presented to the Board each quarter.

The Chief Executive is responsible for the day-to-day management of Artswork. She works with a senior team who have an overview of the Artswork's work (Chief Financial Officer; Deputy CEO) with input and advice from other members of the leadership team. In addition, there are a small number of other organisational teams who lead on our key areas of work:

- Placemaking team
- Careers and Professional Development team
- Finance and Operations team
- Communications, Sales & Marketing team

Trustees agree the operational and programme action plans and the staff team deliver these, reporting back on progression on a quarterly basis. Trustees set the salary of the Chief Executive. They also review pay and remuneration on an annual basis agreeing appropriate increases in line with sector benchmarking and with a guaranteed annual 2% increment. Sector benchmarking is generally undertaken every 3 years.

Funds held as Custodian Trustee on Behalf of Others

None.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

Risk Review

The Chair and Chief Executive have carried out a risk assessment of the charitable company's activities. The risk assessment matrix produced as a result of this process also contains an assessment of fraud risk. The matrix has been fully reviewed by the Board of Trustees at Board Meetings. All Trustees are satisfied that the appropriate mechanisms are in place for the different functions of the organisation. The Board of Trustees has agreed to continue to monitor Artswork's risk assessment quarterly and review each project on an individual basis annually. Risk Assessment is a standard agenda item at all Board Meetings and the Chief Executive notifies Trustees of any potential issues which could activate changes in risk weighting.

Members of the Board of Trustees

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees as of 31 March 2024 was 8. The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Responsibilities of the Trustees

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Disclosure of information to auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Auditors

The auditors, Fiander Tovell Limited, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Norinne Betjemann

Signed on behalf of the trustees on 12/12/2024 | 08:53 GMT
Norinne Betjemann (Chair)

Appendix to the report – Programme Highlights 2023/24

See Artswork's website and our YouTube channel to find out more.

During the first part of the year, Artswork pivoted rapidly from its previous role as a Bridge organisation for Arts Council England (ACE), delivering strategic support to a wide range of other organisations, to being a National Portfolio Organisations (NPO), still for ACE but delivering directly with children and young people in key priority places across the south. The organisation underwent a significant change programme that included consultation around the re-structure needed for Artswork to have staff in relevant roles and locations, to deliver the new NPO programme and grow income. This process was supported by external HR consultants, and resulted in new and restructured roles, as well as some redundancies. Recruitment to vacant roles ensured the revised team was in place by June 2023.

The focus has been to build on existing relationships and develop new ones in key places alongside delivering strategies designed to grow income in the short and longer term, especially within Artswork Professional Development. Artswork also put in place new systems for evaluation and measurement that linked to ACE's revised reporting requirements.

The Activate Young Cultural Changemakers strand delivered 58 creative consultations with children and young people in the New Forest, on the Isle of Wight, in Slough, Arun and Dover. Each one offered a high-quality creative activity, encompassing many different art forms including rap, graffiti, trainer art, circus skills, stained glass window design, ceramics and willow sculpture, to a wide range of children and young people. Participants expressed their views about where they live, what they like to do and what they'd like to change. Concerns about safety, supporting mental health and wellbeing, about having interesting things to do, connecting with nature and promoting environmental sustainability were common, along with frustration about their town often mixed with pride, love and optimism for its future.

Artswork's Placemaking Creative Producers, supported by our Creative Producer Apprentices, worked with groups of different young people – from schools, youth groups, Pupil Referral Units, Young Carers and many others – to help them shape, develop and lead creative commissions that responded to these needs and were designed to make a difference where they lived.

The commissions have included murals and ceramic wall decorations, well-being gardens including one in a hospital, visual arts exhibitions, dance performances, a fashion show and installations. We've created films like *In Simpler Times*, a huge winter festival complete with projections designed by young people as part of Dover at Night, and the 'Safe and Sound' festival in Slough that promoted pro-social activities in the area to stop young people from becoming

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

involved in anti-social behaviour and violence:

These projects have positively impacted the young people involved and been welcomed within the wider communities within which they have been sited. For example, an exhibition and mural by young people from the Pupil Referral Unit, installed at the railway station in Littlehampton, Arun, received over 700 likes on local social media within the first day after unveiling, and has made a significant difference to local perceptions of the station.

Activate Creative Careers has seen the Careers team work with Artswork Professional Development to deliver new interactive programme for primary children, which introduces them to different creative roles and then enables them to set up their own mini film company, make a film and hold a 'premiere' for other students, parents and carers.

The Careers team has also launched its new Breakthrough programme, responding to need from both young people and employers for 6 month-long paid early career roles, giving valuable experience for young people's CVs and a way into creative careers while also providing creative employers (often small enterprises) with youth voice and additional staff capacity.

9 more Apprentices have trained with Artswork this year. 21 young people have accessed micro-investments of £500 each to develop their independent creative practice or business. See our RISE film where recipients talk about the difference this funding makes. Portsmouth Creative Skills, our intensive programme for young people not in education, training or employment who are often care-experienced, provided specialist support and help for 20 young people in Portsmouth, who learned key employability skills, gained a Bronze Arts Award and discovered many different creative work options. One group worked together to create animated 'avatars' that expressed the ways that they positively supported their mental health and wellbeing.

Activate Creative Learning saw teams working with teachers on Continuing Professional Development and with whole schools on creative commissions that support environmental sustainability, including a bike shed with nature habitats built into it conceived by 9-year-olds in Dover. Artswork Professional Development produced new ranges of learning products, expanding the self-led online courses that now make up a significant part of our income generation from this area as well as delivering live online and in-person courses and training sessions. The team honed a range of packages to offer potential business clients, including consultancy for organisations wishing to achieve more significant change, and drove income generation for this part of Artswork's operation to new levels. Clients now include the National Gallery, Victoria & Albert Museum, Southbank Centre, Shakespeare's Globe, Bristol Beacon and many more.

Artswork has also continued to be commissioned to deliver services for other stakeholders, such as Hampshire's Violence Reduction Unit. The Choices programme has seen Artswork partner with BearFace to deliver an innovative drama-based learning programme in schools across Hampshire and the Isle of Wight. Year 6 and Year 7 pupils explore scenarios in which they might need to choose a course of action that could affect their personal safety and that of other people. They respond to animations voiced by young people currently in the justice system and rehearse the decisions they could take and the consequences those might have, preparing for making positive decisions in real life. This has been very successful and has brought additional management income to Artswork.

Artswork's delivery with children, young people, and the professionals who work with them is supported by several core teams: Finance and Operations; Business Development; Communications, Sales & Marketing; and Data, Evaluation & Impact. These teams provide essential capacity and resource to create and sustain support structures for the new programmes Artswork has been delivering, and ensure that they are managed, delivered and evaluated

**ARTSWORK LIMITED
TRUSTEES REPORT
FOR YEAR ENDED 31 MARCH 2024**

successfully, in line with our legislative and governance responsibilities, particularly around data collection and protection. The Communications, Sales & Marketing team has made effective use of video to tell the stories of the work we do and share the impact it has made for young people and the communities in which they live.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTSWORK LIMITED

Opinion

We have audited the financial statements of Artswork Limited for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARTSWORK LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARTSWORK LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- tested a sample of BACS payments to identify payments being made to unexpected bank accounts.
- performed transactional testing on payroll costs in respect of those employees with responsibility or authority in connection with the payroll function.
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARTSWORK LIMITED

Adam Buse

**Adam Buse FCA (Senior Statutory Auditor)
for and on behalf of Fiander Tovell Limited**

12/12/2024 | 09:25 GMT
.....

**Chartered Accountants
Statutory Auditor**

Stag Gates House
63/64 The Avenue
Southampton
Hampshire
SO17 1XS

ARTSWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	3	472	-	472	-	1,000	1,000
Charitable activities	4	87,978	1,784,605	1,872,583	128,278	2,082,510	2,210,788
Investments	5	57,236	-	57,236	21,966	-	21,966
Total income		<u>145,686</u>	<u>1,784,605</u>	<u>1,930,291</u>	<u>150,244</u>	<u>2,083,510</u>	<u>2,233,754</u>
Expenditure on:							
Charitable activities	6	29,646	1,601,992	1,631,638	85,313	2,558,943	2,644,256
Other expenditure	11	-	-	-	-	2,482	2,482
Total expenditure		<u>29,646</u>	<u>1,601,992</u>	<u>1,631,638</u>	<u>85,313</u>	<u>2,561,425</u>	<u>2,646,738</u>
Net income/(expenditure)		116,040	182,613	298,653	64,931	(477,915)	(412,984)
Transfers between funds		91,942	(91,942)	-	-	-	-
Net movement in funds	7	207,982	90,671	298,653	64,931	(477,915)	(412,984)
Reconciliation of funds:							
Fund balances at 1 April 2023		552,363	939,740	1,492,103	487,432	1,417,655	1,905,087
Fund balances at 31 March 2024		<u>760,345</u>	<u>1,030,411</u>	<u>1,790,756</u>	<u>552,363</u>	<u>939,740</u>	<u>1,492,103</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

ARTSWORK LIMITED**BALANCE SHEET****AS AT 31 MARCH 2024**

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	13		4,236		12,329
Current assets					
Debtors	14	16,378		27,961	
Cash at bank and in hand		1,855,895		1,595,575	
		<u>1,872,273</u>		<u>1,623,536</u>	
Creditors: amounts falling due within one year	15	<u>(85,753)</u>		<u>(143,762)</u>	
Net current assets			<u>1,786,520</u>		<u>1,479,774</u>
Total assets less current liabilities			<u>1,790,756</u>		<u>1,492,103</u>
The funds of the charitable company					
Restricted income funds	18		1,030,411		939,740
Unrestricted funds	19		760,345		552,363
			<u>1,790,756</u>		<u>1,492,103</u>

The financial statements were approved by the trustees on 12/12/2024 | 08:53 GMT

..... *Norine Betjemann*
 N Betjemann
Trustee

Company registration number 02150619 (England and Wales)

ARTSWORK LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		203,084		(384,089)
Investing activities					
Purchase of tangible fixed assets		-		(3,883)	
Investment income received		57,236		21,966	
Net cash generated from investing activities			57,236		18,083
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			260,320		(366,006)
Cash and cash equivalents at beginning of year			1,595,575		1,961,581
Cash and cash equivalents at end of year			1,855,895		1,595,575

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Artswork Limited is a charitable company limited by guarantee incorporated in England and Wales. The registered office is 142-144 Above Bar Street, Southampton, SO14 7DU.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum of Association, 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 charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company 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.

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised in full in the Statement of Financial Activity in the year in which they are receivable. Grants related to specific performance outputs or service level agreements are classified as incoming resources for charitable activities and are recognised when the charitable company has earned entitlement.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised in the period to which they relate. The value of any liability includes irrecoverable VAT where applicable.

Resources expended are allocated directly to the relevant activity, project or fund as far as possible and in accordance with the agreed funding terms.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% reducing balance
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 payments 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

In the application of the charitable company'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 ongoing 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.

The trustees consider there are no critical judgements or sources of estimation uncertainty in the financial statements.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	472	-	472	-	1,000	1,000

4 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Charitable Income						
Services provided under contract	87,978	-	87,978	128,278	-	128,278
Performance related grants	-	1,784,605	1,784,605	-	2,082,510	2,082,510
	<u>87,978</u>	<u>1,784,605</u>	<u>1,872,583</u>	<u>128,278</u>	<u>2,082,510</u>	<u>2,210,788</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Income from charitable activities (Continued)

Performance related grants analysis

	Charitable Income 2024 £	Charitable Income 2023 £
ACE - Bridge project	-	1,641,354
Arun	30,000	53,900
Youth Endowment Fund	-	226,292
Kickstart	-	47,346
ACE - NPO	1,412,050	-
Other	342,555	113,618
	<u>1,784,605</u>	<u>2,082,510</u>

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>57,236</u>	<u>21,966</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Expenditure on charitable activities

	Charitable Expenditure 2024 £	Charitable Expenditure 2023 £
Direct costs		
Staff costs	808,436	1,007,491
Depreciation and impairment	8,093	11,461
Enter ac905 in database	804,279	1,614,277
	<u>1,620,808</u>	<u>2,633,229</u>
Share of support and governance costs (see note 8)		
Governance	10,830	11,027
	<u>1,631,638</u>	<u>2,644,256</u>
Analysis by fund		
Unrestricted funds	29,646	85,313
Restricted funds	1,601,992	2,558,943
	<u>1,631,638</u>	<u>2,644,256</u>

7 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	9,600	9,647
Depreciation of owned tangible fixed assets	8,093	11,461
Loss on disposal of tangible fixed assets	-	2,482
	<u>17,693</u>	<u>23,590</u>

8 Support costs

	Support costs £	Governance costs £	2024 £	Governance costs £	2023 £
Audit fees	-	9,600	9,600	9,647	9,647
Accountancy	-	1,230	1,230	1,380	1,380
	<u>-</u>	<u>10,830</u>	<u>10,830</u>	<u>11,027</u>	<u>11,027</u>
Analysed between Charitable activities	<u>-</u>	<u>10,830</u>	<u>10,830</u>	<u>11,027</u>	<u>11,027</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 2 of them were reimbursed a total of £65 travelling expenses (2023 - None of the trustees received any expense reimbursements).

10 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Full time	11	16
Part time	19	31
	<hr/>	<hr/>
Total	30	47
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2024	2023
	£	£
Wages and salaries	728,749	906,642
Social security costs	60,681	77,547
Other pension costs	19,006	23,302
	<hr/>	<hr/>
	808,436	1,007,491
	<hr/> <hr/>	<hr/> <hr/>

The number of employees on a full time equivalent basis was 22 (2023: 33).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024	2023
	Number	Number
£60,000 to £70,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	292,664	363,596
	<hr/> <hr/>	<hr/> <hr/>

None of the key management personnel are trustees or directors.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Other

	Total	Restricted funds
	2024	2023
	£	£
Net loss on disposal of tangible fixed assets	-	2,482

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2023	1,516	87,871	89,387
At 31 March 2024	1,516	87,871	89,387
Depreciation and impairment			
At 1 April 2023	1,508	75,550	77,058
Depreciation charged in the year	2	8,091	8,093
At 31 March 2024	1,510	83,641	85,151
Carrying amount			
At 31 March 2024	6	4,230	4,236
At 31 March 2023	8	12,321	12,329

14 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	10,193	9,567
Other debtors	3,305	3,305
Prepayments and accrued income	2,880	15,089
	16,378	27,961

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Other taxation and social security		15,099	26,080
Deferred income	16	2,975	6,860
Trade creditors		56,011	18,621
Accruals		11,668	92,201
		<u>85,753</u>	<u>143,762</u>

16 Deferred income

	2024 £	2023 £
Other deferred income	<u>2,975</u>	<u>6,860</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	<u>2,975</u>	<u>6,860</u>
Movements in the year:		
Deferred income at 1 April 2023	6,860	4,639
Released from previous periods	(6,860)	(4,639)
Resources deferred in the year	<u>2,975</u>	<u>6,860</u>
Deferred income at 31 March 2024	<u>2,975</u>	<u>6,860</u>

Deferred income relates to course booking fees received in advance. The entirety of the balance at 31 March 2023 had been released to the SOFA in the year ended 31 March 2024.

17 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>19,006</u>	<u>23,302</u>

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

A total of £2,498 (2023 - £4,445) of these contributions were unpaid as at the balance sheet date.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Bridge	834,245	-	(263,081)	-	571,164
Portsmouth Skills	9,207	19,898	(29,105)	-	-
Arun	45,380	30,000	(75,380)	-	-
Let's Create	133	-	(133)	-	-
Youth Endowment Fund	10,343	-	(10,343)	-	-
Kickstart	12,718	-	(12,718)	-	-
Apprenticeships	(2,134)	38,240	(36,106)	-	-
Schools Violence Reduction	29,848	110,800	(126,549)	-	14,099
NPO 23-26	-	1,496,074	(847,677)	(211,018)	437,379
Naval Childrens Charity	-	11,505	(3,736)	-	7,769
Breakthrough Programme	-	20,062	(139,138)	119,076	-
Artsmark	-	58,026	(58,026)	-	-
	<u>939,740</u>	<u>1,784,605</u>	<u>(1,601,992)</u>	<u>(91,942)</u>	<u>1,030,411</u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
ACE - Bridge including					
Artsmark and DFE	1,238,732	1,641,354	(2,045,841)	-	834,245
Portsmouth Skills	21,396	34,374	(46,563)	-	9,207
Arun	78,735	53,900	(87,255)	-	45,380
Let's Create	278	(145)	-	-	133
HAF	-	1,175	(1,175)	-	-
Youth Endowment Fund	31,168	226,292	(247,117)	-	10,343
Kickstart	47,346	64,770	(99,398)	-	12,718
Jubilees Fund	-	6,945	(6,945)	-	-
Apprenticeships	-	18,668	(20,802)	-	(2,134)
Equitable routes	-	5,000	(5,000)	-	-
Syliva Fund	-	1,177	(1,177)	-	-
Schools Violence Reduction	-	30,000	(152)	-	29,848
	<u>1,417,655</u>	<u>2,083,510</u>	<u>(2,561,425)</u>	<u>-</u>	<u>939,740</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Restricted funds

(Continued)

a) Bridge

Aims to improve outcomes for children and young people through the integration of arts, culture, and education. This strategic initiative focused on working with partners such as local authorities and arts and cultural organisations to foster aspiration and ambition among young people and enhance their life chances, wellbeing and opportunities. In 23/24 we were using committed carry forward from the 2018-22 funding. This fund was previously known as 'ACE - Bridge including Artsmark and DFE'.

b) Naval Childrens Charity

A short programme of activities led by Artswork in partnership with the Naval Childrens Charity in which the children of current and veteran forces families learnt about the range of creative careers and pathways into creative work and careers.

c) Portsmouth Creative Skills Programme

Building on the success of the Creative Skills Initiative (a national programme for 16-21 year olds), we have begun delivery of the second year of a three-year Portsmouth Creative Skills Programme, which we are undertaking with Portsmouth City Council's Virtual School and Leaving Care Service. This is funded through The Blagrove Trust, and forms part of the work of Portsmouth's Cultural Education Partnership, with associated Partnership Investment.

d) Arun

A cultural development programme for and by children and young people in the District of Arun which includes the towns of Bognor Regis, Littlehampton and Arundel. We work with local stakeholders to create meaningful new creative opportunities in schools, communities and in partnership with existing infrastructure.

e) Let's Create

To facilitate and produce an online workshop and accompanying resources suitable for children in participating schools.

f) Breakthrough

A paid 6-month training and work placement scheme for young people run in the south east with SME employers. The programme provides entry level work opportunities alongside employability training. Artswork uses NPO grant funding to reimburse the wages, NI & pension contributions of the participating employees and their host employers contribute a training fee to Artswork.

g) NPO 23-26

The main grant programme for 2023-26 that delivers against Arts Council England strategic objectives, principles and targets. There are three strands of work: Young Cultural Changemakers, Creative Careers and Creative Learning. This fund underpins most of Artswork's operational costs. Transfers out to other restricted projects and to unrestricted funds are in accordance with the terms of the funding agreement.

h) HAF

Artswork was given a Grant by Portsmouth City Council, a registered provider of the Government Holiday Activities and Food (HAF) programme. The Grant was to deliver a programme of healthy food and enriching activities during the summer and winter school holidays for pupils who receive benefits-related free school meals. The participants attended free sessions during which a meal was provided alongside arts and physical activities, nutritional information and education for participants and their families and signposting to services and further support. The programme was delivered in Portsmouth during August and December 2021.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Restricted funds

(Continued)

i) Youth Endowment Fund

Artswork is a Grant recipient of the Youth Endowment Fund for the Peer Action Collective programme. The work aims to prevent children and young people from becoming involved in crime and violence. The National Peer Research and Social Action Network is working to:

- Gain a deeper understanding of young people's experiences of violence and the factors that could prevent it
- Create strong local networks and relationships for change
- Help children and young people develop skills and access opportunities
- Achieve direct change in people's communities

Artswork is employing and leading a team of young Peer Researchers to design the research, recruit and interview participants about their experiences of crime and violence and enlisting participants to become Changemakers. The programme ran from summer 2021 until March 2023.

j) Kickstart

Artswork is a participant in the Department for Work and Pensions (DWP) Kickstart employment programme for young people at risk of long-term unemployment. The DWP Grant requires Artswork to deliver a 6 month employment and training programme in partnership with its Gateway partner Real Ideas Organisation. The Grant covers the salary, national insurance and pension contributions for each employee plus set-up, training and support costs for each participant. The programme runs between July 2021 and March 2024.

k) Jubilees Fund

To facilitate and produce an online workshop and accompanying resources suitable for children in participating schools.

l) Apprenticeships

An employability programme providing young people the opportunity to work in the creative industries on a combined programme of work and learning to enable them to develop the knowledge, skills and confidence to start a career in the arts.

m) Schools Violence Reduction

Training services for the Year 6 and Year 7 Schools Project that works to reduce knife crime, gang violence, county lines involvement and promote healthy peer relationships. Artswork is providing inset training for teachers and classroom training for pupils.

n) Artsmark

Encourage and support schools, education and youth justice settings to apply for the Artsmark accreditation, a kitemark for creativity in education. This work was part of our Bridge programme and we received additional funds in 23/24 to continue delivery before the new service provider commenced the role in August 23.

o) Equitable Routes

Youth-led research into the current opportunities for creative and cultural careers for young people in the Solent region.

p) Sylvia Fund

A grant scheme for young people from Artswork's employability programmes who face financial disadvantage as a barrier to the next step in their career journey. Applicants receive a contribution towards training and development costs, equipment or materials, travel or job related costs or those associated with setting up a creative enterprise.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

19 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 1 April 2022	Transfers	Balance at 1 April 2023	Resources expended	Balance at 31 March 2024
	£	£	£	£	£
International Development	537	-	537	(537)	-
Rent Provision	10,000	(10,000)	-	-	-
	<u>10,537</u>	<u>(10,000)</u>	<u>537</u>	<u>(537)</u>	<u>-</u>

a) International Development

This was a fund designated to support Artswork in the development of international partnerships. Artswork's CEO travelled to Chile in August 2017 to deliver a presentation at an international symposium run by Balmaceda Arte Joven – a Chilean youth arts organisation. The CEO was supported by Arts Council England (International Artists Development Fund) and by the Anglo-Chilean Society with only a small amount drawn down from Artswork's designated fund. This fund was closed in March 2024.

b) Rent Provision

A provision of £10,000 was in place to allocate toward rent from the Wider Programmes budget. This has now been transferred out.

20 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 March 2024 are represented by:				
Tangible assets	-	-	4,236	4,236
Current assets/(liabilities)	760,345	-	1,026,175	1,786,520
	<u>760,345</u>	<u>-</u>	<u>1,030,411</u>	<u>1,790,756</u>

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Tangible assets	-	-	12,329	12,329
Current assets/(liabilities)	551,826	537	927,411	1,479,774
	<u>551,826</u>	<u>537</u>	<u>939,740</u>	<u>1,492,103</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

21 Financial commitments, guarantees and contingent liabilities

The charitable company is committed to pay £1,030,412 (2023 - £976,242) in relation to funding agreements agreed with providers for programme delivery where payment conditions have not yet been met.

22 Cash generated from operations	2024	2023
	£	£
Surplus/(deficit) for the year	298,653	(412,983)
Adjustments for:		
Investment income recognised in statement of financial activities	(57,236)	(21,966)
(Gain)/loss on disposal of tangible fixed assets	-	2,482
Depreciation and impairment of tangible fixed assets	8,093	11,461
Movements in working capital:		
Decrease in debtors	11,583	65,039
(Decrease) in creditors	(54,124)	(30,343)
(Decrease)/increase in deferred income	(3,885)	2,221
Cash generated from/(absorbed by) operations	203,084	(384,089)

23 Analysis of changes in net funds

The charitable company had no material debt during the year.

ARTSWORK LIMITED

England & Wales - Charity number 800143

Accounts

Charity Registration No. 800143

Company Registration No. 2150619 (England and Wales)

ARTSWORK LIMITED

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2023

**ARTSWORK LIMITED
TRUSTEES REPORT
FOR YEAR ENDED 31 MARCH 2023**

Legal and Administrative Information

Trustees	Norinne Betjemann (appointed May 2016) Fiona Parkinson (appointed May 2016) Dr Emma Dyer (appointed February 2017) Jason Jones – Hall (appointed December 2018) Wanjiku Nyachae (appointed December 2020) Jayanti Shah (appointed March 2022)
Chair	N Betjemann
Chief Executive	L Govier
Secretary	S Warwick
Charity number	800143
Company number	2150619
Registered office	MAST Mayflower Studios 142 - 144 Above Bar Street Southampton SO14 7DU
Auditors	Fiander Tovell Limited Stag Gates House 63/64 The Avenue Southampton S017 1XS
Bankers	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB Santander UK Plc Business and Corporate Banking Operations Bridle Road Bootle Merseyside L30 4GB Triodos Bank UK Deanery Road Bristol BS1 5AS
Contact Details	info@artswork.org.uk / www.artswork.org.uk

ARTSWORK LIMITED

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**ARTSWORK LIMITED
TRUSTEES REPORT
FOR YEAR ENDED 31 MARCH 2023**

The Trustees present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, subsequently updated with effect from January 2019 (FRS 102).

Introduction

At Artswork we strive to make the arts and creativity available to absolutely everyone. We aim to break through barriers and develop new ways for people to discover the success, empowerment and sheer joy that the arts and creativity can bring to classrooms, communities and careers.

Imagine if... all our children were happy and confident, strong in their sense of self and the world that they live in.

Imagine if... every child – irrespective of race, background, wealth, identity or ability - felt valued, heard and represented.

Imagine if... we gave them all the opportunity to explore and fulfil their potential in a future that we are all making together.

Imagine if... we kept a sense of wonder, creativity and learning throughout our lives.

The Artswork team works regionally, nationally and internationally to make these aspirations a reality.

Chair's Statement 2022/23

Our mission to empower children and young people through the arts and to support those who work with them has never been stronger. I've highlighted below just some of the achievements of the last year.

Our Portsmouth Creative Skills programme, designed to equip care-experienced young people with life and employability skills, was in its 5th year. We were especially pleased to invite a former participant, who had attended his first drumming workshop with the Virtual School of the scheme, to co-deliver a drumming workshop with his original mentor. He is now enrolled on a music course at college. Another participant reworked Portsmouth Guildhall's Comic Con event logo to include LGBTQ+ colours and the revision was adopted by Guildhall for use in their event promotion.

This year Arun Inspires created opportunities for young people to creatively reimagine their towns and localities. Their work was professionally showcased through a number of exhibitions and included a sculptural reimagining of Bognor Regis town centre built out of paper, card and the children and young peoples' photos. In another project, the civic Christmas tree in Littlehampton was decorated with artworks made by local children. Later

**ARTSWORK LIMITED
TRUSTEES REPORT
FOR YEAR ENDED 31 MARCH 2023**

in the year, the Easter trail was described by the local Traders partnership as “the most impactful art trail ever run in the town”.

In our partnership with West Sussex Clinical Commissioning Group, the selected artist consulted extensively with the nursing team, with the Children in Care Council and attended key events for looked-after children. They developed [My Health Appointment](#) – a dynamic age-appropriate resource that uses creativity to combat a vital health inequality for looked-after children by supporting them in a playful and child / young person-oriented way. The tool was launched in Arun and then made available to all Sussex looked-after children and promoted across national networks through the CCG. This project was shortlisted for the Nursing Times Award for Children’s Care 2022 and we look to its future development in 2023/24.

The Peer Action Collective is a programme equipping young people to make their communities safer, fairer places to live. It is funded by the Youth Endowment Fund, the #iwill Fund (a joint investment between The National Lottery Community Fund and the Department for Culture, Media and Sport) and the Co-op Group. 2022/23 saw us deliver phase one of this innovative programme with consortium partners Unloc and Youth Options to enable young people to take the lead in designing and conducting research into their peers’ experiences of violence and become changemakers in their communities. This led to a report and film of the work of all the young people involved and examines the learning from their research and the impact of some of the social action projects which were undertaken in the region.

Throughout the year Arts Award remained a key tool to inspire and facilitate young people as creative or cultural leaders. 10,416 certificates were awarded across all levels including 119 Gold, which is equivalent to A level.

As an Arts Council England Bridge organisation we supported sixteen Cultural Education Partnerships (CEPs), bringing together arts and cultural organisations with other partners such as health, criminal justice, education and the youth sector to deliver quality experiences for children and young people. We also delivered a programme of training and development sessions for CEP members and fostered communication between CEPS.

Our Artwork Professional Development programme has grown exponentially, delivering a range of courses including, for instance, Creative Consultation and Child Protection. Not only does this strand of our work support sector professionals, but it also offers Artwork an income generation stream.

The close of 2022/23 marked our official transition from being an Arts Council Sector Support Organisation to being a National Portfolio Organisation. This is an extremely exciting development for Artwork and necessitated a reshaping of our structure and staffing roles. Sadly, we’ve had to say good-bye to some hugely talented, creative and committed individuals, all of whom I am confident will continue to carry the banner of creativity, diversity and inclusion into their next roles. I thank them, as well as the staff who remain with the organisation and those who have joined Artwork, for all they have done in the quest to improve the lives of children and young people through the arts and creativity.

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I also thank Arts Council England for its continued support as well as funders not previously mentioned: Arun District Council, Department for Education, Department for Work and Pensions, and the Police & Crime Commissioner for Hampshire & the Isle of Wight.

Norinne Betjemann
Chair

Artswork Trustees 2022/23

The trustees, who are also the directors for the purpose of company law, and who served in the year were:

Norinne Betjemann (appointed May 2016)
Rick Hall (appointed September 2004) (Resigned 5 December 2022)
Fiona Parkinson (appointed May 2016)
Dr Emma Dyer (appointed February 2017)
Jason Jones – Hall (appointed December 2018)
Harley Russell (appointed December 2019) (Resigned 5 December 2022)
Victoria Edwards (appointed February 2020) (Resigned 24 December 2022)
Wanjiku Nyachae (appointed December 2020)
Jayanti Shah (appointed March 2022)

Artswork Leadership Team 2022/23

Louise Govier – Chief Executive (appointed August 2020)
Sarah Warwick – Chief Finance Officer
Annabel Cook – Deputy Chief Executive
Donna Vose – Head of Budgets, Contracts & Policy
Ruth Taylor – Strategic Manager
Richard Beales – Strategic Manager
Lucy Marder – Strategic Manager

See full Artswork team: <https://artswork.org.uk/about-us/staff-trustees-trainers/>

Artswork's Aims, Objectives and Activities

The trustees have paid due regard to guidance issued by the Charity Commission on public benefit on deciding what activities the charity should undertake.

At Artswork we believe in the power of the arts and creativity to:

- Fundamentally shape happier and healthier children and young people
- Broaden horizons, open opportunities and enrich the lives of children and young people
- Make a difference from birth – we sing before we talk, we dance before we walk
- Help develop skills and experiences enabling all children and young people to thrive, progress and achieve

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- Enable and inspire expression for everyone

At Artswork we strive to make the arts and creativity available to absolutely everyone. We aim to break through barriers and develop new ways for people to discover the success, empowerment and sheer joy that the arts and creativity can bring to classrooms, communities and careers.

We achieve this through:

- Supporting partnerships across cultural organisations and education that will create lasting change
- Devising and delivering inclusive programmes that empower the most under-represented in society
- Developing young people's skills, for their own growth and as future cultural leaders
- Enabling children and young people from any background to find their voice and encouraging others to listen to and support them
- Delivering creative training that nurtures innovation and progress

The objectives of the charity are to promote, maintain, improve, and advance public education, appreciation and understanding of youth arts. The charitable company continues to explore new ways of improving provision for children and young people in creative activities.

Public benefit aims

Public benefit is at the heart of what Artswork does. In the fifth year of our current business plan, Artswork is delivering its mission through the following key public benefit aims:

1. Lead and strengthen arts and cultural engagement with children and young people.
2. Recognise, facilitate and lead the development of opportunities for work-based learning, employability and entrepreneurship.
3. Enhance expertise, skills, knowledge and understanding of the arts and culture in work for, with and by children and young people.
4. Build and facilitate cross-sector partnerships between those working in the arts and culture and those working with children and young people.
5. Collect and share evidence of good practice and success stories.
6. Actively promote networking, partnership and collaboration.
7. Practice effective governance, leadership and management of Artswork.

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We deliver our aims through a range of strategic programmes:

- As the Arts Council England funded Bridge organisation for the southeast region, working strategically to connect children and young people with arts and culture. A 10 year programme concluding in 2023.
- Through our place-based programmes including Arun Inspires.
- Through our Leadership, Skills and Enterprise work, which includes:
 - Building leadership, enterprise, skills and workforce development – locally, regionally and nationally – in relation to both young people and to those who work with them
 - Advocacy, championing and networks – locally and nationally
 - Strategic partnership projects creating evidence of excellent practice

Trustees monitor performance on a quarterly basis and measure this against key performance indicators, budget allocation and spend.

The Year in Numbers

During 2022/23, Artswork:

- Had **52,413** engagements with children and young people through our programmes and investments
- Worked with over **645** arts, culture and heritage organisations and youth partners
- Supported **16** Cultural Education Partnerships
- Monitored **17** Partnership Investments
- Engaged with **668** education settings in the southeast
- Supported the training of **96** new Arts Award advisers
- **62** new settings registered for Artsmark, creating a total of **553** settings engaged
- Delivered **55** Artswork Professional Development in-house and open training courses reaching **698** people
- Supported **14** young people on our Kickstart programme
- Supported **4** young people on our re-launched Apprenticeship programme
- Supported **12** members of our youth board

A full summary of activities and achievements is contained in the Appendix to this report.

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Financial Review 2022/23

Artswork's income in the financial year 2022/23 decreased moderately compared to 2021/22. This was due to a reduction in funds received to deliver the Kickstart Employment Programme. The Youth Endowment Funded Peer Action Collective research programme received more income than the previous year.

2022/23 was an extension year to our granted funded Arts Council England Bridge programme. Further income was awarded by the Department for Education to widen the scope of the Bridge role and Artswork therefore saw investment of £1,547,354 from Arts Council England and £94,000 from the Department for Education.

Artswork has again been successful in generating programme income from a range of sources, including local and national agencies, and via delivery and receipt of training and event fees. Artswork controls expenditure well, both within core and project budgets. We also maintain healthy reserves. Artswork's Professional Development programme continues to generate a steady and sustainable income stream.

The ongoing use of effective control and tracking systems (including purchase orders and ongoing interrogated budgeting) has produced clarity in short-term and long-term financial planning and management. Regular reviews of Artswork's financial planning and management accounts at Trustee board meetings have enabled the Trustees to maintain a consistent and detailed overview of the charity's financial progress and achievements.

Principal funding sources and activities 2022/23

Artswork achieved income from a range of sources during 2022/23. We also maintained excellent accounts and financial processes – evidenced by a complimentary report on the year from our auditors, Fiander Tovell.

Funds raised included:

- Arts Council England – £1,547,354 to deliver the south east Bridge role
- Arun District Council - £15,000 for Arun Inspires
- Department for Education – £94,000 to extend our schools engagement work
- Department for Work and Pensions - £64,770 to deliver Kickstart
- Police & Crime Commissioner for Hampshire & Isle of Wight – £30,000 to deliver the new Schools Violence Reduction programme
- Youth Endowment Fund - £226,292 to deliver Peer Action Collective

Reserves Policy

Artswork, like many small charities, has limited opportunity to generate unrestricted income. Through continued careful budget forecasting, application for full cost recovery where possible, strict management of expenditure and utilisation of high interest bank accounts, Artswork has continued to build up reserves of £474,822 for general contingency requirements. Artswork aims to retain at least £210,000 of unrestricted funds. Designated funds are established by Trustees for specific future spending plans and projects, and after making these designations, the Trustees seek to retain a general fund to cover 12 months core running costs and closure costs, not specifically met by programme grants.

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Going Concern

Artswork has innovated its delivery over the last year and is opening new markets through online delivery. The charity has responded to sector changes, specifically Arts Council England's Let's Create strategy and invested in programme development to respond to the Creative People, Communities and Country agenda. Simultaneously Artswork has responded to new opportunities to deliver employability programmes and is working with a new main Apprenticeship provider to expand the reach of this work. Specifically, the following highlights the rationale for Artswork regarding itself as a going concern.

- 1) New Arts Council England National Portfolio Organisation funding for 2023-2026
- 2) New grant funding for programmes from national and regional partners
- 3) An increase in unrestricted revenue from training courses and consultancy
- 4) Artswork reviewed all areas of its operational and programme budgets to model new costings for 2023/24 onwards and has identified operational savings from closing an underused office space. This has enabled us to allocate savings into new programme delivery. The charity is confident that the budget for 2023/24 is sound and achievable
- 5) Artswork will actively implement its fundraising strategy to achieve growth by seeking funds from a range of sources to enable it to deliver its plans
- 6) Artswork has an additional amount of free reserves (after agreed allocations and designations) which provides a further cushion if required.

Environmental Responsibility

Artswork has committed to a comprehensive set of targets and responsibilities to reduce the ecological impact of our work and programmes. Our Environmental Action Plan is aligned to UN Sustainable Development Goals and national policy to achieve a 78% reduction in greenhouse gas emissions by 2035. It works from a known baseline of our measurable scope 2 and 3 emissions – 12.9 tonnes of CO₂e per year (average from 10 years of data). Artswork's real impact emissions are undoubtedly higher when considering supply chain and digital footprint emissions which have not historically been recorded and the Charity is working to measure these as part of our Action Plan. In 2022/23 the measurable emissions fell to 8.1 tonnes largely to due significant reductions in business travel. Artswork's target is to reduce our own annual emissions to a maximum of 2.8 tonnes CO₂e by 2035 whilst increasing our advocacy to ensure we are supporting the transition to a low-carbon society.

<https://artswork.org.uk/our-environmental-journey/>

During 2022/23, Artswork:

- Piloted measuring energy use for homeworking
- Reduced our paper use by a further 15% through digitisation
- Donated spare office furniture and equipment to charities when closing the office
- Maintained the charity's no fly policy

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- Invested in a creative climate change programme for young people with additional educational needs and their families
- Planted 12 trees in schools to improve biodiversity and air quality
- Continued advocacy work by commissioning youth voice to share Artswork's environmental journey and progress through social media and our website

Plans for 2023/24 onwards

Artswork has undertaken significant planning over the last 12 months to reframe the delivery of our mission in response to Arts Council England's Let's Create strategy. 2023/24 will see us commence our new programme of work that responds to our consultation and co-creation sessions with children and young people, communities, stakeholders, cultural education partnerships, employees and trustees whilst integrating our existing programme portfolio.

As a new Arts Council England (ACE) National Portfolio Organisation for 2023-26, we will be supporting the shared ambition for creative people, communities and country. Our programmes will embed co-creation with children and young people in local place-based planning and development, with young people in those places equipped and skilled to be changemakers in their communities. Over 3 years they will take the lead to use creativity to make a difference to the things they care most about, particularly their mental health and wellbeing and environmental sustainability.

We will monitor progress around our four guiding principles and ambitions for Dynamism, Environmental Responsibility, Inclusivity & Relevance and Ambition & Quality (ACE Investment Principles) and share our journey as we strengthen our Anti-Discrimination actions and develop our Environmental Action Plan in the context of our new activities. Artswork will continue to use data to inform our work and will strengthen our measurement tools to better understand and focus our impact. We will continue to advocate for creative learning opportunities, led by and for children and young people and share the story of their experiences and success. Artswork will continue to manage our own organisational finance and the ongoing Bridge Partnership Investments to a high standard.

2023/24 will see further integration of our employability and training programmes with our new place-based working strategy ensuring more children and young people can benefit from creative opportunities and experiences where they live. We will also further develop on-demand online self-guided professional development courses that will significantly expand the reach of our training for arts, cultural, education and youth sector professionals.

Louise Govier, Chief Executive, Artswork

Structure, Governance and Management

The organisation is a charitable company, limited by guarantee, incorporated on 27th July 1987 and registered as a charity on 5th October 1988. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Artswork has an active and committed Board of Trustees with the necessary skills and experience to guide

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and govern the charity. New trustees are recruited using a variety of methods: via 'Board Bank' (including e.g. Inclusive Boards); personal recommendations by Chair, trustees, senior management team and other staff; from our pool of volunteers; through recruitment adverts. Trustees' Skills Audits identify potential skills gaps on the Board and inform Artswork's Board recruitment strategies.

Prospective new trustees meet with the Chair and Chief Executive prior to appointment and/or may be invited to a more formal interview process. Following appointment, they are supplied with a 'Governance/Induction Pack', containing: Artswork constitution; history of Artswork; all approved Artswork policies, including those outlining Artswork's commitment to Equalities, Environment and Safeguarding; most recent annual report; Charities Commission 'Role of Trustees' booklet; most recent minutes; most recent audited accounts; generic publicity information; declaration form and project information.

New Trustees attend a quarterly Board meeting and are nominated by an existing Trustee; this nomination is seconded by another Trustee (this is minuted). Annually, Artswork organises a Board and Staff Away Day, and all Trustees are encouraged to attend Artswork's projects, programmes and events.

At quarterly meetings, new policies are presented to the Board for approval. Key policies are also reviewed (usually annually) by Board and senior staff. Artswork's Business Plan and related annual work plans and budget forecasts are prepared by senior staff and approved by the Board. Management accounts are presented to the Board each quarter.

The Chief Executive is responsible for the day-to-day management of Artswork. She works with a senior team who have an overview of the Artswork's work (Chief Financial Officer; Deputy CEO) with input and advice from other members of the senior leadership team. In addition, there are a small number of other organisational teams who lead on our key areas of work:

- Bridge: The Strategic Manager team is responsible for overseeing and implementing of our Bridge Action Plan working in conjunction with the CEO, the Education Development Managers and the Artsmark/Arts Award team – supported by the Data Research Manager
- Leadership, Skills and Enterprise team
- Finance and Operations team
- Communications team

Trustees agree the Business Plan and associated action plans and the staff team deliver this, reporting back on progression on a quarterly basis. Trustees set the salary of the Chief Executive. They also review pay and remuneration on an annual basis agreeing appropriate increases in line with sector benchmarking and with a guaranteed annual 2% increment. Sector benchmarking is generally undertaken every 3 years.

Funds held as Custodian Trustee on Behalf of Others

None.

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Risk Review

The Chair and Chief Executive have carried out a risk assessment of the charitable company's activities. The risk assessment matrix produced as a result of this process also contains an assessment of fraud risk. The matrix has been fully reviewed by the Board of Trustees at Board Meetings. All Trustees are satisfied that the appropriate mechanisms are in place for the different functions of the organisation. The Board of Trustees has agreed to continue to monitor Artswork's risk assessment quarterly and review each project on an individual basis annually. Risk Assessment is a standard agenda item at all Board Meetings and the Chief Executive notifies Trustees of any potential issues which could activate changes in risk weighting.

Members of the Board of Trustees

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees as of 31st March 2023 was 6. The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Responsibilities of the Trustees

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and

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hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Auditors

The auditors, Fiander Tovell Limited, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Norinne Betjemann
Signed on behalf of the trustees on 6/12/2023 | 19:51 ~~2023~~
Norinne Betjemann (Chair)

Appendix to the report – Programme Highlights 2022/23

Cultural Education Partnerships

Local Cultural Education Partnerships (CEPs) were launched nationally in 2015 in response to Arts Council England's Cultural Education Challenge. There are currently 16 in the south-east and all support children and young people's arts and cultural opportunities through cross-sector partnerships and working practices. They work to bring together arts and cultural organisations, maximise the resources that support children and young people, leverage funds that wouldn't otherwise be available for arts and cultural provision, and share knowledge and best practice.

During 2022/23, Artswork:

- Monitored development and transition support investment by Artswork with CEPs in Buckinghamshire, Hampshire, Isle of Wight, Milton Keynes, Oxfordshire, Portsmouth, Reading, Slough, Southampton, Surrey, West Sussex and Wokingham
- Delivered a programme of online training and professional development sessions for CEP members, including fundraising and governance and constitutions
- Maintained an online portal to grow CEP communication and mutual support

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Partnership Investment

Partnership Investment focuses on long-term solutions rather than one-off interventions, changing the lives of children and young people through lasting and meaningful engagement. Through co-investment and collaboration with other organisations, we work to leverage match amounts in work that embeds arts and culture in policy and practice.

In 2022/23 we:

- Worked with our investment partners to deliver Better Lives through Culture programmes with 8 programmes across the south-east
- Monitored our 5 Supporting Young Minds partnership investment programmes which use creativity to improve the mental health and wellbeing of some of the most marginalised and underserved children and young people in the south-east

School Engagement

This year saw renewed engagement from schools in response to our programmes aligned with school priorities including children and young peoples' mental health and representation in the curriculum. In 2022/23 we:

- Engaged with 668 schools and settings
- Piloted 2 new programmes: Golden Threads, which explores creative approaches to teaching and learning, and Representation in the Primary Arts Curriculum, which supports teachers to build an anti-racist school community, delivered in partnership with Race Matters
- Delivered our Creative Steps programme in partnership with 10 schools each working with 2 other non-engaged schools to enable them to become confident in using arts and creativity to develop their curriculum and meet school improvement priorities. The programme aims to assess the effectiveness of various learning methods such as Action Learning and Theory of Change planning tools within settings
- Delivered a widely attended online CPDL session for teachers exploring Arts-Rich Schools

Artsmark

Artsmark continues to be strongly embedded in Artswork's support for Cultural Education Partnerships and our approach to investment programmes. During 2022/23:

- 62 settings registered for Artsmark
- A total of 553 settings were engaged
- Of the 68 settings awarded during this year, 33 were awarded Silver, 24 Gold and 11 Platinum
- 11 new organisations registered as Artsmark partners, giving us a total of 193
- We ran 4 creative teacher CPD events attended by 58 attendees

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Communication, Information and Intelligence

Data and intelligence from the data, informs our work, increases our focus, and shapes our future work with children and young people. We work hard to share these findings beyond our own organisation to assist others working across creative, cultural, youth and education settings. Over this year we have increased the volume of video content that shares the impact of our programmes and launched a TikTok channel. In 2022/23 we:

- have a total of 295 resources, toolkits and reports available for free download on the Artswork website, an increase of 10% on the previous year
- sent monthly newsletters to more than 2500 individuals, organisations and schools.
- shared and celebrated with our 10 331 social media followers and subscribers
- promoted [connectingwithculture.com](https://www.connectingwithculture.com) which connects schools and settings with 252 arts and cultural organisations providing specific cultural education offers

Arts Award

Arts Award can be delivered with any arts or cultural activity and in any organisation – including schools, colleges, theatres, galleries, museums, libraries, arts centres, heritage organisations, alternative education provisions, performing groups, youth justice settings, youth clubs or community groups and healthcare services. It validates existing artistic interests and can be a child or young person's first opportunity to think and work creatively. The five levels (Discover, Explore, Bronze, Silver and Gold) support creative progression from early exploration to the development of the professional skills required to be the next generation of artists and art leaders.

Artswork leads an Arts Award Leadership Network of 7 organisations & individuals who provide mentoring to arts and cultural organisations to support them to embed and strengthen their Arts Award offer. We also embed Arts Award across our Schools Engagement and targeted programmes including Portsmouth Creative Skills and Arun Inspires.

During 2022/23 we delivered a series of well-attended online support sessions including Delivering Arts Award for the first time, Funding your Arts Award project and Delivering Arts Award Digitally.

Young People's Employability Programmes

Artswork's Creative Apprenticeship programme relaunched during 2022/2023 with a new main training provider Creative Alliance. During the year we enrolled 4 Apprentices on the Level 3 Event Standard.

Our work-based learning offer delivered the 3rd cohort of Kickstart opportunities providing 14 young people aged 16-24 claiming universal credit with a six-month paid work placement. Working in partnership with RIO and employers across the south-east, Artswork provided wrap-around training to develop transferable skills, introduce working

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in the creative industries, and inviting participants to be youth voice experts in the arts and cultural organisations hosting them.

<https://artswork.org.uk/our-work-with-young-people/for-young-people/kickstart/>

Portsmouth Creative Skills

Portsmouth Creative Skills is a flexible pre-employability programme designed to equip care experienced young people with confidence, employability and life skills. This innovative partnership with Portsmouth City Council and the Portsmouth Virtual School provides opportunities to engage with arts and cultural professionals, and to develop social, communication, team and professional skills.

This year 9 young people completed the 7 week summer programme, working with 28 creative practitioners and visiting 11 cultural venues. By the end of the programme, all participants achieved Bronze Arts Award and 100% reported an increase in self-confidence, creative skills, and in their knowledge of the Portsmouth cultural scene and confidence in participating in it. Their final project involved working with social enterprise Digital Voice to create a short film describing their experience of living in Portsmouth and their views of arts and culture in the City.

<https://www.youtube.com/watch?v=4I8MLpWFiIE>

Workshops with the Virtual School were held during May and February half-terms involving 11 young people and 7 creative practitioners. A former participant of the 2018 summer programme returned to co-deliver a drumming workshop with his original mentor.

Additional funding as part of Artswork's Creative People, Communities and Country strand enabled the extension of this programme to a further 31 young people aged 10-19 years old. The Creative Identities programme had 3 strands:

- a DigitalMe collaboration between Artswork, Digital Voice, and charity Gendered Intelligence exploring the views of young people who identify as Transgender
- partnership working with the D-Day Story as part of an arts based social action project with the city youth clubs
- adding elements of the Creative Skills programme to Enham Trust's Skills2Achieve pre-employability programme for young people working towards Level 1 Functional Skills in English and Maths

Collectively the participants achieved 5 Discover and 9 Bronze Arts Awards. The Enham Trust project culminated in painting a mural on a shipping container for the National Seamanship Training Centre of the Nautical Training Corps at Tipner, Portsmouth.

Arun Inspires

This development programme for children and young people in West Sussex is advancing the cultural offer for Arun's children and young people by delivering new creative

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opportunities in partnership with the cultural, education, youth and community sectors at a local, regional and national level.

Highlights for 2022/23 include:

- Restarting and facilitating Arun Youth Council which invites representatives from every secondary school in the District to serve as youth councillors. We engaged 35 students to create new pathways for youth councillors to be actively influencing policymaking within Arun District Council
- Commissioning a new sculpture in Aldingbourne, working with the Parish Council and using Section 106 funding via Arun District Council. The art work was researched and developed with students from two local primaries and one secondary school and incorporated STEAM (Science, Technology, Engineering, Arts, Mathematics) learning. The sculpture was unveiled in October 2022 alongside performances from a local youth band
- Commissioning a photographic artist-in-residence in Bognor Regis, who ran 35 sessions with 45 students aged 7 to 18 years at the local secondary school, a primary and youth group. Their work culminated in an 8 day exhibition at the maker space run by the Business Improvement District which was opened by the Mayor
- Installing two local art trails in shop windows to animate Littlehampton town centre for Easter and Christmas 2022. Projects included commissioning artists to create large fibreglass eggs and installations reimagining the 12 Days of Christmas carol
- Deepening collaboration with West Sussex CCG by working on a research and development commission to explore ways an artist might animate the regular Health Assessment appointments which looked-after children attend.

Artswork is highly appreciative to our many partners and stakeholders for their commitment to raising cultural aspirations and opportunities in Arun.

<https://artswork.org.uk/programmes/arun-inspires/>

Artswork Professional Development - CPD for the Arts, Culture and Youth sectors

Our professional development courses offer a practical way for arts, culture and education professionals at any level to build their skills and increase their knowledge and understanding of work with young people. This year our self-guided offer via Thinkific saw growth of our on-demand courses, with bulk bookings for 6 organisations reaching 668 participants.

We delivered 25 open courses, a number of which sold out including Creative Consultation. Our Child Protection courses remain extremely popular.

In-house training has grown this year with 30 courses delivered for 21 organisations including:

- Glyndebourne
- Somerset House

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- Southbank Centre
- Shakespeare's Globe
- The Old Vic Theatre
- Courtauld Institute of Art

Artswork is indebted to the expertise and energy of its training team and grateful for their work in adapting training to new contexts whilst ensuring a continuing high-quality offer.

Artswork's Professional Development brochure is available for further information:
<https://artswork.org.uk/resources/artsworks-professional-development-brochure/>

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTSWORK LIMITED

Opinion

We have audited the financial statements of Artswork Limited for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARTSWORK LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ARTSWORK LIMITED

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- tested a sample of BACS payments to identify payments being made to unexpected bank accounts.
- performed transactional testing on payroll costs in respect of those employees with responsibility or authority in connection with the payroll function.
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Buse

**Adam Buse ACA (Senior Statutory Auditor)
for and on behalf of Fiander Tovell Limited**

7/12/2023 | 08:15 GMT
.....

**Chartered Accountants
Statutory Auditor**

Stag Gates House
63/64 The Avenue
Southampton
Hampshire
SO17 1XS

ARTSWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	-	1,000	1,000	1,370	993	2,363
Charitable activities	4	128,278	2,082,510	2,210,788	137,070	2,206,745	2,343,815
Investments	5	21,966	-	21,966	4,924	-	4,924
Other income	6	-	-	-	-	2,477	2,477
Total income		<u>150,244</u>	<u>2,083,510</u>	<u>2,233,754</u>	<u>143,364</u>	<u>2,210,215</u>	<u>2,353,579</u>
<u>Expenditure on:</u>							
Charitable activities	7	85,313	2,558,943	2,644,256	111,113	2,416,303	2,527,416
Other	11	-	2,482	2,482	-	-	-
Total expenditure		<u>85,313</u>	<u>2,561,425</u>	<u>2,646,738</u>	<u>111,113</u>	<u>2,416,303</u>	<u>2,527,416</u>
Net income/(expenditure) for the year/ Net movement in funds							
		64,931	(477,915)	(412,984)	32,251	(206,088)	(173,837)
Fund balances at 1 April 2022							
		<u>487,432</u>	<u>1,417,655</u>	<u>1,905,087</u>	<u>455,181</u>	<u>1,623,743</u>	<u>2,078,924</u>
Fund balances at 31 March 2023							
		<u><u>552,363</u></u>	<u><u>939,740</u></u>	<u><u>1,492,103</u></u>	<u><u>487,432</u></u>	<u><u>1,417,655</u></u>	<u><u>1,905,087</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ARTSWORK LIMITED**BALANCE SHEET****AS AT 31 MARCH 2023**

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	13		12,329		22,390
Current assets					
Debtors	14	27,961		93,000	
Cash at bank and in hand		1,595,575		1,961,581	
		1,623,536		2,054,581	
Creditors: amounts falling due within one year	15	(143,762)		(171,884)	
Net current assets			1,479,774		1,882,697
Total assets less current liabilities			1,492,103		1,905,087
Income funds					
Restricted funds	18		939,740		1,417,655
<u>Unrestricted funds - general</u>					
Designated funds	19	537		10,537	
General unrestricted funds		551,826		476,895	
			552,363		487,432
			1,492,103		1,905,087

6/12/2023 | 19:51 GMT

The financial statements were approved by the Trustees on

*Norinne Betjemann*N Betjemann
Trustee

Company registration number 02150619

ARTSWORK LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(384,089)		(171,485)
Investing activities					
Purchase of tangible fixed assets		(3,883)		(23,501)	
Investment income received		21,966		4,924	
Net cash generated from/(used in) investing activities					
			18,083		(18,577)
Net cash used in financing activities					
			-		-
Net decrease in cash and cash equivalents					
			(366,006)		(190,062)
Cash and cash equivalents at beginning of year			1,961,581		2,151,643
Cash and cash equivalents at end of year			<u>1,595,575</u>		<u>1,961,581</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Artswork Limited is a charitable company limited by guarantee incorporated in England and Wales. The registered office is 142-144 Above Bar Street, Southampton, SO14 7DU.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum of Association, 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 charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company 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.

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised in full in the Statement of Financial Activity in the year in which they are receivable. Grants related to specific performance outputs or service level agreements are classified as incoming resources for charitable activities and are recognised when the charitable company has earned entitlement.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised in the period to which they relate. The value of any liability includes irrecoverable VAT where applicable.

Resources expended are allocated directly to the relevant activity, project or fund as far as possible and in accordance with the agreed funding terms.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% reducing balance
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 payments 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.13 Government Grants

Government grants relate to furlough claims and are recognised in the SOFA in the same period as the costs to which they relate.

2 Critical accounting estimates and judgements

In the application of the charitable company'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 ongoing 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.

The trustees consider there are no critical judgements or sources of estimation uncertainty in the financial statements.

3 Donations and legacies

	Restricted funds	Unrestricted funds general	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
Donations and gifts	1,000	1,370	993	2,363
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Programme delivery 2023 £	Programme delivery 2022 £
Services provided under contract	128,278	137,070
Performance related grants	2,082,510	2,206,745
	<u>2,210,788</u>	<u>2,343,815</u>
Analysis by fund		
Unrestricted funds - general	128,278	137,070
Restricted funds	2,082,510	2,206,745
	<u>2,210,788</u>	<u>2,343,815</u>
Performance related grants		
ACE - Bridge project	1,641,354	1,714,354
Arun	53,900	52,375
Youth Endowment Fund	226,292	179,604
Kickstart	47,346	194,418
Other	113,618	65,994
	<u>2,082,510</u>	<u>2,206,745</u>

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	21,966	4,924
	<u>21,966</u>	<u>4,924</u>

6 Other income

	Restricted funds 2023 £	Restricted funds 2022 £
Other income	-	2,477
	<u>-</u>	<u>2,477</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

	2023 £	2022 £
Staff costs	1,007,491	1,082,126
Depreciation and impairment	11,461	10,703
Programme delivery	1,614,277	1,425,557
	<u>2,633,229</u>	<u>2,518,386</u>
Share of governance costs (see note 8)	11,027	9,030
	<u>2,644,256</u>	<u>2,527,416</u>
	<u><u>2,644,256</u></u>	<u><u>2,527,416</u></u>
Analysis by fund		
Unrestricted funds - general	85,313	111,113
Restricted funds	2,558,943	2,416,303
	<u>2,644,256</u>	<u>2,527,416</u>
	<u><u>2,644,256</u></u>	<u><u>2,527,416</u></u>

8 Support costs

	Support costs £	Governance costs £	2023 £	Governance costs £	2022 £
Audit fees	-	9,647	9,647	7,680	7,680
Accountancy	-	1,380	1,380	1,350	1,350
	<u>-</u>	<u>11,027</u>	<u>11,027</u>	<u>9,030</u>	<u>9,030</u>
	<u><u>-</u></u>	<u><u>11,027</u></u>	<u><u>11,027</u></u>	<u><u>9,030</u></u>	<u><u>9,030</u></u>
Analysed between Charitable activities	-	11,027	11,027	9,030	9,030
	<u>-</u>	<u>11,027</u>	<u>11,027</u>	<u>9,030</u>	<u>9,030</u>
	<u><u>-</u></u>	<u><u>11,027</u></u>	<u><u>11,027</u></u>	<u><u>9,030</u></u>	<u><u>9,030</u></u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expense reimbursements during the current or prior year.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Full time	16	16
Part time	31	31
	<hr/>	<hr/>
Total	47	47
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2023	2022
	£	£
Wages and salaries	906,642	984,968
Social security costs	77,547	80,251
Other pension costs	23,302	16,907
	<hr/>	<hr/>
	1,007,491	1,082,126
	<hr/> <hr/>	<hr/> <hr/>

The number of employees on a full time equivalent basis was 33 (2022: 35).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023	2022
	Number	Number
£60,000 to £70,000	1	-
	<hr/> <hr/>	<hr/> <hr/>

11 Other

	Restricted	Total
	funds	
	2023	2022
	£	£
Net loss on disposal of tangible fixed assets	2,482	-
	<hr/> <hr/>	<hr/> <hr/>

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2022	1,516	88,598	90,114
Additions	-	3,883	3,883
Disposals	-	(4,610)	(4,610)
	<u>1,516</u>	<u>87,871</u>	<u>89,387</u>
At 31 March 2023	1,516	87,871	89,387
Depreciation and impairment			
At 1 April 2022	1,505	66,219	67,724
Depreciation charged in the year	3	11,459	11,462
Eliminated in respect of disposals	-	(2,128)	(2,128)
	<u>1,508</u>	<u>75,550</u>	<u>77,058</u>
At 31 March 2023	1,508	75,550	77,058
Carrying amount			
At 31 March 2023	<u>8</u>	<u>12,321</u>	<u>12,329</u>
At 31 March 2022	<u>11</u>	<u>22,379</u>	<u>22,390</u>

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	9,567	3,072
Other debtors	3,305	3,555
Prepayments and accrued income	15,089	86,373
	<u>27,961</u>	<u>93,000</u>

15 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Other taxation and social security		26,080	21,715
Deferred income	16	6,860	4,639
Trade creditors		18,621	112,019
Accruals		92,201	33,511
		<u>143,762</u>	<u>171,884</u>

ARTSWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023****16 Deferred income**

	2023	2022
	£	£
Other deferred income	6,860	4,639
	<u> </u>	<u> </u>

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income is included within:		
Current liabilities	6,860	4,639
	<u> </u>	<u> </u>
Movements in the year:		
Deferred income at 1 April 2022	4,639	5,452
Released from previous periods	(4,639)	(5,452)
Resources deferred in the year	6,860	4,639
	<u> </u>	<u> </u>
Deferred income at 31 March 2023	6,860	4,639
	<u> </u>	<u> </u>

Deferred income relates to course booking fees received in advance. The entirety of the balance at 31 March 2022 had been released to the SOFA in the year ended 31 March 2023.

17 Retirement benefit schemes**Defined contribution schemes**

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes is shown in note 10. £4,445 (2022 - £4,484) of these contributions are unpaid as at the balance sheet date.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 31 March 2023 £
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	
ACE - Bridge including Artsmark and DFE	1,238,732	1,641,354	(2,045,841)	834,245
Portsmouth Skills	21,396	34,374	(46,563)	9,207
Arun	78,735	53,900	(87,255)	45,380
Let's Create	278	(145)	-	133
HAF	-	1,175	(1,175)	-
Youth Endowment Fund	31,168	226,292	(247,117)	10,343
Kickstart	47,346	64,770	(99,398)	12,718
Jubilees Fund	-	6,945	(6,945)	-
Apprenticeships	-	18,668	(20,802)	(2,134)
Equitable routes	-	5,000	(5,000)	-
Syliva Fund	-	1,177	(1,177)	-
Schools Violence Reduction	-	30,000	(152)	29,848
	<u>1,417,655</u>	<u>2,083,510</u>	<u>(2,561,425)</u>	<u>939,740</u>

	Movement in funds			Balance at 31 March 2022 £
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	
ACE - Bridge including Artsmark and DFE	1,442,552	1,714,354	(1,918,174)	1,238,732
Creative Apprentice	11,890	5,949	(17,839)	-
Portsmouth Skills	24,896	32,476	(35,976)	21,396
Arun	142,823	52,375	(116,463)	78,735
Let's Create	1,582	6,657	(7,961)	278
HAF	-	24,382	(24,382)	-
Youth Endowment Fund	-	179,604	(148,436)	31,168
Kickstart	-	194,418	(147,072)	47,346
	<u>1,623,743</u>	<u>2,210,215</u>	<u>(2,416,303)</u>	<u>1,417,655</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Restricted funds

(Continued)

a) Arts Council England - Bridge including Artsmark and DFE funding

In April 2011, Arts Council England (ACE) announced a new national network of 'Bridge' organisations, to ensure all children and young people experience the richness of the arts both in and outside of school. Artswork was selected as one of the 10 Bridge organisations across England - initially from 2012 to 2015 - to work strategically to develop and deliver increased access to arts and culture, and better connect arts and cultural organisations with children and young people, families and schools. ACE committed some £4.5m over this period to Artswork to deliver this role.

The funding comes from £10 million a year of Lottery money which ACE has allocated to support their network of bridge organisations. In 2014, ACE confirmed a further tranche of 3-year Bridge funding to enable Artswork to deliver a second phase from 2015 to 2018. In 2019, ACE confirmed a further tranche of funding to allow Artswork to continue to deliver Bridge until 2022. More recently ACE confirmed a fourth phase that will allow Artswork to continue the Bridge programme up to 2026.

b) Creative Apprenticeship Programme

Working in partnership with Eastleigh College and with cultural employers in Hampshire, Portsmouth, Southampton and the Isle of Wight, Artswork continues to deliver a Creative Apprenticeship programme. This was designed to create new entry level routes into the creative and cultural sector, to diversify the workforce, and to provide work based learning opportunities for young people to equip them with practical skills and knowledge needed to develop a career in the arts and cultural sectors.

c) Portsmouth Creative Skills Programme

Building on the success of the Creative Skills Initiative (a national programme for 16-21 year olds), we have begun delivery of the second year of a three-year Portsmouth Creative Skills Programme, which we are undertaking with Portsmouth City Council's Virtual School and Leaving Care Service. This is funded through The Blagrove Trust, and forms part of the work of Portsmouth's Cultural Education Partnership, with associated Partnership Investment.

d) Arun

In March 2018, following a successful submission by Artswork, the Board of Culture, Art and Sport (Arun) Limited, a former provider to Arun District Council, gifted £250,000 to Artswork to support arts development and growth in Arun. Enhanced by Partnership investment (£100,000) agreed by Artswork Trustees and Arts Council England, Artswork is:

- i) Supporting our delivery partner, Chichester Festival Theatre, on a programme that includes:
 - Antbullying project (Advocacy in Schools)
 - Schools' Fest (a celebration of young people and the arts)
 - Inclusion and Diversity working with vulnerable young people in Littlehampton and Bognor
- ii) Developing a business plan against three identified priorities
 - Raising Aspirations:
 - Improving mental health and wellbeing outcomes for CYP through arts and culture.
 - Embedding the work in economic regeneration and increased pride of place in Arun

e) Let's Create

Artswork participated in a national initiative delivered by Bridge organisations to create and deliver packs of arts and crafts materials to children and young people in need or facing disadvantage in the south east. Initially funded by Arts Council England and the Crafts Council, with further funds from The Art Fund, the programme was delivered to coincide with the 2020 spring, summer and autumn school holidays. A further Christmas initiative was made possible through donations raised through Artswork's individual giving campaign. Packs were distributed to children via arts organisations, education settings including SEND schools, food banks, libraries and youth organisations.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Restricted funds

(Continued)

f) HAF

Artswork was given a Grant by Portsmouth City Council, a registered provider of the Government Holiday Activities and Food (HAF) programme. The Grant was to deliver a programme of healthy food and enriching activities during the summer and winter school holidays for pupils who receive benefits-related free school meals. The participants attended free sessions during which a meal was provided alongside arts and physical activities, nutritional information and education for participants and their families and signposting to services and further support. The programme was delivered in Portsmouth during August and December 2021.

g) Youth Endowment Fund

Artswork is a Grant recipient of the Youth Endowment Fund for the Peer Action Collective programme. The work aims to prevent children and young people from becoming involved in crime and violence. The National Peer Research and Social Action Network is working to:

- Gain a deeper understanding of young people's experiences of violence and the factors that could prevent it
- Create strong local networks and relationships for change
- Help children and young people develop skills and access opportunities
- Achieve direct change in people's communities

Artswork is employing and leading a team of young Peer Researchers to design the research, recruit and interview participants about their experiences of crime and violence and enlisting participants to become Changemakers. The programme runs from summer 2021 until March 2023.

h) Kickstart

Artswork is a participant in the Department for Work and Pensions (DWP) Kickstart employment programme for young people at risk of long-term unemployment. The DWP Grant requires Artswork to deliver a 6 month employment and training programme in partnership with its Gateway partner Real Ideas Organisation. The Grant covers the salary, national insurance and pension contributions for each employee plus set-up, training and support costs for each participant. The programme runs between July 2021 and September 2022.

i) Jubilee Fund

To facilitate and produce an online workshop and accompanying resources suitable for children in participating schools.

j) Apprenticeships

An employability programme providing young people the opportunity to work in the creative industries on a combined programme of work and learning to enable them to develop the knowledge, skills and confidence to start a career in the arts.

k) Equitable Routes

Youth-led research into the current opportunities for creative and cultural careers for young people in the Solent region.

l) Sylvia Fund

A grant scheme for young people from Artswork's employability programmes who face financial disadvantage as a barrier to the next step in their career journey. Applicants receive a contribution towards training and development costs, equipment or materials, travel or job related costs or those associated with setting up a creative enterprise.

m) Schools Violence Reduction (Choices)

Training services for the Year 6 and Year 7 Schools Project that works to reduce knife crime, gang violence, county lines involvement and promote healthy peer relationships. Artswork is providing inset training for teachers and classroom training for pupils.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					Balance at 31 March 2023 £
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Transfers £	
Investing in the future	14,753	18,890	(33,643)	-	-	-
International Development	537	-	-	537	-	537
Rent Provision	10,000	-	-	10,000	(10,000)	-
	<u>25,290</u>	<u>18,890</u>	<u>(33,643)</u>	<u>10,537</u>	<u>(10,000)</u>	<u>537</u>

a) Investing in the Future Fund

A fund originally designated in 2015 to support the development work of Learning and Skills (wider programmes)

b) International Development

This was a fund designated to support Artswork in the development of international partnerships. Artswork's CEO travelled to Chile in August 2017 to deliver a presentation at an international symposium run by Balmaceda Arte Joven – a Chilean youth arts organisation. The CEO was supported by Arts Council England (International Artists Development Fund) and by the Anglo-Chilean Society with only a small amount drawn down from Artswork's designated fund.

c) Rent Provision

A provision of £10,000 was agreed by trustees to allocate toward rent from the Wider Programmes budget.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2023 are represented by:				
Tangible assets	-	-	12,329	12,329
Current assets/(liabilities)	551,826	537	927,411	1,479,774
	<u>551,826</u>	<u>537</u>	<u>939,740</u>	<u>1,492,103</u>

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:				
Tangible assets	-	-	22,390	22,390
Current assets/(liabilities)	476,895	10,537	1,395,265	1,882,697
	<u>476,895</u>	<u>10,537</u>	<u>1,417,655</u>	<u>1,905,087</u>

21 Financial commitments, guarantees and contingent liabilities

The charitable company is committed to pay £976,242 (2022- £798,051) in relation to funding agreements agreed with providers for programme delivery where payment conditions have not yet been met.

22 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	-	55,059
Between two and five years	-	3,563
	<u>-</u>	<u>58,622</u>

During the period, the charitable company recognised £52,197 (2022 - £61,636) of lease costs in respect of leases detailed in this note.

In the year the charity exited the lease early and therefore there is no commitment at the year end.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2023 £	2022 £
Aggregate compensation	363,596	409,416

None of the key management personnel are trustees or directors.

24 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(412,983)	(173,837)
Adjustments for:		
Investment income recognised in statement of financial activities	(21,966)	(4,924)
Loss on disposal of tangible fixed assets	2,482	-
Depreciation and impairment of tangible fixed assets	11,461	10,703
Movements in working capital:		
Decrease in debtors	65,039	45,282
(Decrease) in creditors	(30,343)	(47,896)
Increase/(decrease) in deferred income	2,221	(813)
Cash absorbed by operations	(384,089)	(171,485)

25 Analysis of changes in net funds

The charitable company had no debt during the year.

ARTSWORK LIMITED

England & Wales - Charity number 800143

Accounts

Charity Registration No. 800143 Company Registration No.

2150619 (England and Wales)

ARTSWORK LIMITED

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2022

**ARTSWORK LIMITED
TRUSTEES REPORT
FOR YEAR ENDED 31 MARCH 2022**

Legal and Administrative Information

Trustees	Norinne Betjemann (appointed May 2016) Rick Hall (appointed September 2004) Sabita Kumari-Dass (June 2015 – November 2021) Fiona Parkinson (appointed May 2016) Dr Emma Dyer (appointed February 2017) Ama Afrifa-Tchie (December 2018 – September 2021) Jason Jones – Hall (appointed December 2018) Harley Russell (appointed December 2019) Victoria Edwards (appointed February 2020) Wanjiku Nyachae (appointed December 2020) Jayanti Shah (appointed March 2022)
Chair	N Betjemann
Chief Executive	L Govier
Secretary	S Warwick
Charity number	800143
Company number	2150619
Registered office	1 st Floor, Latimer House 5-7 Cumberland Place Southampton SO15 2BH
Auditors	Fiander Tovell Limited Stag Gates House 63/64 The Avenue Southampton S017 1XS
Bankers	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB Santander UK Plc Business and Corporate Banking Operations Bridle Road Bootle Merseyside L30 4GB Triodos Bank UK Deanery Road Bristol BS1 5AS
Contact Details	info@artswork.org.uk / www.artswork.org.uk

ARTSWORK LIMITED

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ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

The Trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, subsequently updated with effect from January 2019 (FRS 102).

Introduction

At Artswork we strive to make the arts and creativity available to absolutely everyone. We aim to break through barriers and develop new ways for people to discover the success, empowerment and sheer joy that the arts and creativity can bring to classrooms, communities and careers.

Imagine if... all our children were happy and confident, strong in their sense of self and the world that they live in.

Imagine if... every child – irrespective of race, background, wealth, identity or ability - felt valued, heard and represented.

Imagine if... we gave them all the opportunity to explore and fulfil their potential in a future that we are all making together.

Imagine if... we kept a sense of wonder, creativity and learning throughout our lives.

The Artswork team works regionally, nationally and internationally to make these aspirations a reality.

Chair's Statement 2021/22

In 2021/22, as the country began to emerge from pandemic restrictions, all around us we heard of the challenges that our partners and participants were facing, with young people's mental health a key concern. Thanks to the innovative approaches developed by our team, our work never faltered and we moved forward at pace, eyes on our mission of improving the life chances and amplifying the voice of children and young people through the arts and creativity.

Young people as artists, creative practitioners and influencers are central to our vision. To highlight examples from the past year.

In February we launched the Peer Action Collective, a programme equipping young people to become change-makers around youth violence in their communities. As always, partnership working was central, with delivery as part of a consortium with Youth Options and Unlock and funded by the Youth Endowment Fund.

Portsmouth Creative Skills is a flexible pre-employability programme designed to equip care leavers and looked-after young people in challenging circumstances with life skills, work experience, confidence, passion and a sense of possibility. Participants, as their final piece, created a film. They led on all aspects of production: storyboarding, filming, acting, animation and music.

With its wider programme of high-quality cultural events, Arun Inspires offered opportunities to demystify career pathways into the Creative Industries as well as delivered projects designed to improve children and young people's mental health.

To support our own organisational trajectory, we welcomed 12 young people to our new Youth Board where they will share their views and help us to shape the Artswork of the future. This initiative is being led by our established Trustees, Harley and Victoria.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

Understanding the needs and challenges of the diverse communities in which we work is critical for Artswork. As part of our Race Equity programme we carried out a series of listening conversations with community leaders, activists and influencers that have lived experience of racism. During this period we formed a Staff and Trustee working group to review our work, operations and practices through the lens of race equity and signed up to 74 actions from the Unlock toolkit that will lead to change. We contracted expertise to lead an education and facilitation programme for all employees, to support long-term attitude and behaviour change by equipping us to adopt an anti-racism approach to our interactions with stakeholders, one another and in the delivery of our mission.

Committed to opening doors for those who might not have otherwise considered a career in the Creative Industries, we delivered three cohorts of Kickstart opportunities, employing 36 young people in challenging circumstances in six-month supported jobs. In partnership with Real Ideas Organisation (Bridge south-west) and our employer network, we provided wrap-around training to develop transferrable skills as well as insight into the Creative Industries.

Supporting those who work with children and young people is another key strand of our mission. A new online self-guided offer enabled us to reach a wider pool of participants for our training and we saw an increased take up of our open course and in-house training offers.

In our Arts Council England (ACE) Bridge role, we supported the network of sixteen Cultural Education Partnerships which galvanise children and young people's arts and cultural opportunities through cross-sector partnerships and working practices including the strategic use of Artsmark and Arts Award. We realigned our school engagement programmes, and launched "Supporting Young Minds", a programme which uses creativity to improve the mental health and well-being of marginalised children and young people.

Underpinning all our activity were and are the Arts Council England Investment Principles of Ambition & Quality, Dynamism, Environmental Responsibility and Inclusivity & Relevance. The Trustee and Staff Board Away Day enabled us to begin to embed these principles in response to the Let's Create Strategy with invigorated intention and momentum.

With every year that I've been in the role of Chair, my admiration of the Staff and fellow Trustees of Artswork has grown. These have been challenging times but obstacles and difficulties have been viewed and approached as opportunities and, as a result, our work with, for and by children and young people grows stronger each year.

Finally, a thank you to Arts Council England for its continued support and commitment to our work and to all our funders, partners, participants and supporters.

Norinne Betjemann

Norinne Betjemann
Chair

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

Artswork Trustees 2021/22

The trustees, who are also the directors for the purpose of company law, and who served in the year were:

Norinne Betjemann (appointed May 2016)
Rick Hall (appointed September 2004)
Sabita Kumari-Dass (resigned November 2021)
Fiona Parkinson (appointed May 2016)
Dr Emma Dyer (appointed February 2017)
Ama Afrifa-Tchie (resigned September 2021)
Jason Jones – Hall (appointed December 2018)
Harley Russell (appointed December 2019)
Victoria Edwards (appointed February 2020)
Wanjiku Nyachae (appointed December 2020)
Jayanti Shah (appointed March 2022)

Artswork Leadership Team 2021/22

Louise Govier – Chief Executive (appointed August 2020)
Sarah Warwick – Chief Finance Office
Annabel Cook – Deputy Chief Executive
Donna Vose – Head of Budgets, Contracts & Policy
Ruth Taylor – Strategic Manager
Richard Beales – Strategic Manager
Lucy Marder – Strategic Manager
Beatrice Prosser-Snelling – Strategic Manager

See full Artswork team: <https://artswork.org.uk/about-us/staff-trustees-trainers/>

Artswork's Aims, Objectives and Activities

The trustees have paid due regard to guidance issued by the Charity Commission on public benefit on deciding what activities the charity should undertake.

At Artswork we believe in the power of the arts and creativity to:

- Fundamentally shape happier and healthier children and young people
- Broaden horizons, open opportunities and enrich the lives of children and young people
- Make a difference from birth - we sing before we talk, we dance before we walk
- Help develop skills and experiences enabling all children and young people to thrive, progress and achieve
- Enable and inspire expression for everyone

At Artswork we strive to make the arts and creativity available to absolutely everyone. We aim to break through barriers and develop new ways for people to discover the success, empowerment and sheer joy that the arts and creativity can bring to classrooms, communities and careers.

We achieve this through:

- Supporting partnerships across cultural organisations and education that will create lasting change
- Devising and delivering inclusive programmes that empower the most under-represented in society
- Developing young people's skills, for their own growth and as future cultural leaders

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

- Enabling children and young people from any background to find their voice and encouraging others to listen to and support them
- Delivering creative training that nurtures innovation and progress

The objectives of the charity are to promote, maintain, improve, and advance public education, appreciation and understanding of youth arts. The charitable company continues to explore new ways of improving provision for children and young people in creative activities.

Public benefit aims

Public benefit is at the heart of what Artswork does. In the fourth year of our current business plan, Artswork is delivering its mission through the following key public benefit aims:

1. Lead and strengthen arts and cultural engagement with children and young people.
2. Recognise, facilitate and lead the development of opportunities for work-based learning, employability and entrepreneurship.
3. Enhance expertise, skills, knowledge and understanding of the arts and culture in work for, with and by children and young people.
4. Build and facilitate cross-sector partnerships between those working in the arts and culture and those working with children and young people.
5. Collect and share evidence of good practice and success stories.
6. Actively promote networking, partnership and collaboration.
7. Practice effective governance, leadership and management of Artswork.

We deliver our aims through a range of strategic programmes:

- As the Arts Council England funded Bridge organisation for the southeast region, working strategically to connect children and young people with arts and culture. This role is confirmed up to the end of March 2023.
- Through our place-based programmes including Arun Inspires.
- Through our Leadership, Skills and Enterprise work, which includes:
 - Building leadership, enterprise, skills and workforce development – locally, regionally and nationally – in relation to both young people and to those who work with them
 - Advocacy, championing and networks – locally and nationally
 - Strategic partnership projects creating evidence of excellent practice

Trustees monitor performance on a quarterly basis and measure this against key performance indicators, budget allocation and spend.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

The Year in Numbers

During 2021/22, Artswork:

- Had **12,361** engagements with children and young people through our programmes and investments
- Worked with over **558** arts, culture and heritage organisations and youth partners
- Supported **16** Cultural Education Partnerships
- Contracted **8** Partnership Investments, including securing £645,000 of stakeholder investment for programmes that enhance children and young peoples' mental health
- Engaged with **570** education settings in the southeast
- Supported the training of **53** new Arts Award advisers
- **82** new settings registered for Artsmark, creating a total of **586** settings engaged
- Delivered **65** Artswork Professional Development in-house and open training courses reaching **693** people
- Supported **36** young people on our Kickstart employability programme
- Recruited **12** members to our new youth board
- Distributed **240** creative Christmas boxes to children and young people through schools, youth organisations and food banks, made possible by individual donations

A full summary of activities and achievements is contained in the Appendix to this report.

Financial Review 2021/22

Artswork's income in the financial year 2021/22 increased moderately compared to 2020/21. This was due to additional funds received to deliver the Youth Endowment Funded Peer Action Collective research programme and Kickstart Employment Scheme.

We have now completed year 4 of Phase 3 of Arts Council England's grant of £6m over 4 years for our work as the Bridge Organisation for the South-East. Further income was awarded by the Department for Education to widen the scope of the Bridge role, plus Artswork received a modest inflationary increase from ACE. 2021/22 therefore saw investment of £1,547,354 from Arts Council England and £94,000 from the Department for Education.

Artswork has again been successful in generating programme income from a range of sources, including local and national agencies, and via delivery and receipt of training and event fees. Artswork controls expenditure well, both within core and project budgets. We also maintain healthy reserves. Artswork's Professional Development Programme continues to generate a steady and sustainable income stream.

The ongoing use of effective control and tracking systems (including purchase orders and ongoing interrogated budgeting) has produced clarity in short-term and long-term financial planning and management. Regular reviews of Artswork's financial planning and management accounts at Trustee board meetings have enabled the Trustees to maintain a consistent and detailed overview of the charity's financial progress and achievements.

Principal funding sources and activities 2021/22

Artswork achieved income from a range of sources during 2021/22. We also maintained excellent accounts and financial processes – evidenced by a complimentary report on the year from our auditors, Fiander Tovell.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

Funds raised included:

- Arts Council England – £1,547,354 to deliver the south east Bridge role
- Department for Education – £94,000 to extend our schools engagement work
- Department for Work and Pensions – £194,418 to deliver the Kickstart programme
- Youth Endowment Fund - £179,604 to deliver the Peer Action Collective research programme

Reserves Policy

Artswork, like many small charities, has limited opportunity to generate unrestricted income. Through continued careful budget forecasting, application for full cost recovery where possible, strict management of expenditure and utilisation of high interest bank accounts, Artswork has continued to build up reserves of £404,070 for general contingency requirements. Artswork aims to retain at least £200,000 of unrestricted funds. Designated funds are established by Trustees for specific future spending plans and projects, and after making these designations, the Trustees seek to retain a general fund to cover 12 months core running costs and closure costs, not specifically met by programme grants.

Covid-19 and a Going Concern

In moving much of its work online, Artswork has successfully mitigated many of the potential impacts of Covid-19. We have kept the doors open and given priority to nurturing and reinforcing relationships with partners and stakeholders whilst undertaking a thorough budget review to find operational economies that have enabled us to respond to new opportunities in this time. Specifically, the follow highlights the rationale for Artswork regarding itself as a going concern.

- 1) Arts Council England has confirmed Artswork's extension year grant until end of March 2023 at the same level as 2021/22.
- 2) Department for Education has confirmed £94,000 for school engagement until the end of March 2023.
- 3) Artswork has carefully budgeted its wider programmes of work and through online delivery and format innovation, and with good carry forward from previous years, we are confident that the budget for 2022/23 is sound and achievable.
- 4) Artswork reviewed all areas of the budget to model new costings for 2023/24 onwards and has identified further operational savings. This has enabled us to allocate savings into new programme delivery and positions us well to deliver our Business Plan effectively providing we are successful in our new Arts Council England NPO bid.
- 5) Artswork will actively seek to implement its fundraising strategy seeking funds from a range of sources to enable it to deliver its plans for the wider programmes.
- 6) Artswork has an additional amount of free reserves (after agreed allocations and designations) which provides a further cushion for our wider programmes if required.

Environmental Responsibility

Artswork has committed to a comprehensive set of targets and responsibilities to reduce the ecological impact of our work and programmes. Our Environmental Action Plan is aligned to UN Sustainable Development Goals and national policy to achieve a 78% reduction in greenhouse gas emissions by 2035. It works from a known baseline of our measurable scope 2 and 3 emissions – 12.9 tonnes of CO₂e per year (average from 10 years of data). Our real impact emissions are undoubtedly higher when considering supply chain and digital footprint emissions which have not historically been recoded and we will work to measure these as part of our Action Plan. Our target is to reduce our own annual emissions to a maximum of 2.8 tonnes CO₂e by 2035 whilst increasing our advocacy to ensure we are supporting the transition to a low-carbon society.

<https://artswork.org.uk/our-environmental-journey/>

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

During 2021/22, we:

- Adopted cloud-based systems to remove dependence on energy intensive local servers
- Reduced our paper use by 70% through digitising operational processes
- Donated spare office furniture to a charity that reconditions second-hand equipment
- Moved internal and external meetings online to reduce business travel by at least 50%
- Increased our advocacy and communications by commissioning youth voice to share Artswork's environmental journey and progress through social media and our website

Plans for 22/23 onwards

Artswork has embraced new opportunities and partnerships over the last 12 months to enhance the delivery of our mission in response to the significant challenges of the time. Our reframed business plan and its alignment with Arts Council England's Let's Create strategy is expanding our business whilst driving innovation in our existing programme portfolio. 2022/23 will see us undertake a higher level of consultation and co-creation sessions with children and young people, communities, stakeholders, cultural education partnerships, employees and trustees to shape our Business Plan for 2023-26. We will use this opportunity to determine where our work is most needed in the coming years and to design responsive programmes that amplify our impact.

This will include shaping our application to be an Arts Council England (ACE) National Portfolio Organisation for 2023-26, supporting the shared ambition for creative people, communities and country. We will aim to embed co-creation with children and young people in local place-based planning and development, with young people in those places equipped and skilled to be changemakers in their communities. We will empower them to lead on creative work that makes a difference to the things they care most about, particularly their mental health and wellbeing and environmental sustainability.

We will set our ambitions around the ACE Investment Principles, measure our progress and share our journey as we progress our Environmental Action Plan and Anti-Discrimination actions. Artswork will continue to use data to ground our work and development so that we increasingly focus our impact where it is most needed. We will communicate about and advocate for creative learning with our wide network and will use different social media platforms to connect with and hear from more young people. Artswork will continue to manage our own organisational finance and the ongoing Partnership Investments to a high standard.

Alongside the delivery of the Bridge extension year and associated DfE-funded schools engagement work, we will continue delivery of Arun Inspires, Peer Action Collective and Portsmouth Creative Skills. We will also further develop on-demand online self-guided professional development courses that will significantly expand the reach of our training for arts, cultural and youth sector professionals.

Our employability programmes will continue to embed enhanced training to build aspiration, self-esteem and improve life changes. 2022 will see the delivery of our third cohort of Kickstart employees and preparations to re-launch our Apprenticeship offer with a new lead Provider. We will also continue to work with partners across Southampton, our home base, as it prepares its bid to become City of Culture 2025, ensuring that children and young people are at the heart of its plans.

Structure, Governance and Management

The organisation is a charitable company, limited by guarantee, incorporated on 27th July 1987 and registered as a charity on 5th October 1988. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Artswork has an active and committed Board of Trustees with the necessary skills and experience to guide and govern the charity. New trustees are recruited using a variety of methods: via 'Board Bank' (including e.g. Inclusive Boards); personal recommendations by Chair, trustees, senior management team and other staff; from our pool of volunteers; through recruitment adverts. Trustees' Skills Audits identify potential skills gaps on the Board and inform Artswork's Board recruitment strategies.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

Prospective new trustees meet with the Chair and Chief Executive prior to appointment and/or may be invited to a more formal interview process. Following appointment, they are supplied with a 'Governance/Induction Pack', containing: Artswork constitution; history of Artswork; all approved Artswork policies, including those outlining Artswork's commitment to Equalities, Environment and Safeguarding; most recent annual report; Charities Commission 'Role of Trustees' booklet; most recent minutes; most recent audited accounts; generic publicity information; declaration form and project information.

New Trustees attend a quarterly Board meeting and are nominated by an existing Trustee; this nomination is seconded by another Trustee (this is minuted). Annually, Artswork organises a Board and Staff 'away day' and all Trustees are encouraged to attend Artswork's projects, programmes and events.

At quarterly meetings, new policies are presented to the Board for approval. Key existing policies are also reviewed (usually annually) by Board and senior staff. Artswork's Business Plan and related annual work plans and budget forecasts are prepared by senior staff and approved by the Board. Management accounts are presented to the Board each quarter.

The Chief Executive is responsible for the day-to-day management of Artswork. She works with a senior team who have an overview of the Artswork's work (Chief Financial Officer; Deputy CEO) with input and advice from other members of the senior leadership team. In addition, there are a small number of other organisational teams who lead on our key areas of work:

- Bridge: The Strategic Manager team is responsible for overseeing and implementing of our Bridge Action Plan working in conjunction with the CEO, the Education Development Managers and the Artsmark/Arts Award team – supported by the Data Research Manager
- Leadership, Skills and Enterprise team
- Finance and Operations team
- Communications team

Trustees agree the Business Plan and associated action plans and the staff team deliver this, reporting back on progression on a quarterly basis. Trustees set the salary of the Chief Executive. They also review pay and remuneration on an annual basis agreeing appropriate % increases in line with inflation (usually up to 2%). They will also, on occasion, review specific posts to ensure these are still in keeping with Artswork's analysis of responsibilities and salary levels/bands.

Funds held as Custodian Trustee on Behalf of Others

None.

Risk Review

The Chair and Chief Executive have carried out a risk assessment of the charitable company's activities. The risk assessment matrix produced as a result of this process also contains an assessment of fraud risk. The matrix has been fully reviewed by the Board of Trustees at Board Meetings. All Trustees are satisfied that the appropriate mechanisms are in place for the different functions of the organisation. The Board of Trustees has agreed to continue to monitor Artswork's risk assessment quarterly and review each project on an individual basis annually. Risk Assessment is a standard agenda item at all Board Meetings and the Chief Executive notifies Trustees of any potential issues which could activate changes in risk weighting.

Members of the Board of Trustees

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees as of 31st March 2022 was 9. The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

Responsibilities of the Trustees

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Auditors

The auditors, Fiander Tovell Limited, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Norinne Betjemann

Signed on behalf of the trustees on 5/12/2022 | 19:31 GMT 2022
Norinne Betjemann (Chair)

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

Appendix to the report – Programme Highlights 2021/22

Cultural Education Partnerships

Local Cultural Education Partnerships (CEPs) were launched nationally in 2015 in response to Arts Council England's Cultural Education Challenge. There are currently 16 in the south-east and all support children and young people's arts and cultural opportunities through cross-sector partnerships and working practices. They work to bring together arts and cultural organisations, maximise the resources that support children and young people, leverage funds that wouldn't otherwise be available for arts and cultural provision, and share knowledge and best practice.

During 2021/22, we:

- Monitored development and transition support investment by Artswork with CEPs in Brighton & Hove, Buckinghamshire, Hampshire, Isle of Wight, Oxfordshire, Portsmouth, Reading, Slough, Southampton, West Sussex and Wokingham
- Delivered a programme of online training and professional development sessions for CEP members, including increasing diversity and inclusion, school engagement and Artsmark, Place-based working, and a Black History Month briefing with the Director of Black History Month South
- Maintained an online portal to grow CEP communication and mutual support

Partnership Investment

Partnership Investment allows us to focus on long-term solutions rather than one-off interventions, changing the lives of children and young people through lasting and meaningful engagement. Through co-investment and collaboration with other organisations, we work to leverage match amounts in work that embeds arts and culture in policy and practice. This accounts for one-quarter of our total Bridge Budget from 2018/22.

In 2021/22 we:

- Worked with our investment partners to restart Better Lives through Culture programmes with delivery commencing across the south-east
- Contracted 2 investments representing a further £229 500 of Artswork investment with a match of £229 500 secured from partners, and continued to monitor the existing 6
- Launched our Supporting Young Minds partnership investment programme which uses creativity to improve the mental health and wellbeing of some of the most marginalised and underserved children and young people in the south-east. We contracted 5 investments representing £310 000 of Artswork investment with a match of £335 000

School Engagement

This year saw continued disruption to schools with many of our engagement programmes and leadership initiatives delayed due to the pandemic. Our Education Development Managers worked in partnership with senior and artform leads across settings to realign programmes to emerging school priorities including supporting children and young peoples' mental health. In 2021/22 we:

- Engaged with 557 schools and settings
- Continued to promote connectingwithculture.com with 245 arts and cultural organisations now signed up, each with a specific schools offer
- Continued delivery of 10 Cultural Education Partnership-led Schools Connect programmes, 5 Senior Leadership Advocacy programmes and 11 Artsmark Champions programmes
- Launched our Creative Steps programme in partnership with 10 schools each working with 2 other non-engaged schools to enable them to become confident in using arts and creativity to develop their curriculum and meet school improvement priorities. The programme aims to assess the effectiveness of various learning methods such as Action Learning and Theory of Change planning tools within settings
- Delivered a widely attended online CPDL session for teachers exploring Arts-Rich Schools

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

Artsmark

Artsmark continues to be strongly embedded in Artswork's support for Cultural Education Partnerships and our approach to investment programmes. During 2021/22:

- 82 settings registered for Artsmark
- A total of 586 settings were engaged
- Of the 27 settings awarded during this year, 13 were awarded Silver, 11 Gold and 3 Platinum
- 20 new organisations registered as Artsmark partners, giving us a total of 189
- We ran 5 creative teacher CPD events attended by 105 attendees

Communication, Information and Intelligence

Data and intelligence from the data, informs our work, increases our focus, and shapes our future work with children and young people. We work hard to share these findings beyond our own organisation to assist others working across creative, cultural, youth and education settings. Over this year we have worked to diversify the range of formats we share information in, including launching 'Artswork Audio' podcast and producing on-demand video versions of some popular training sessions. In 2021/22 we:

- analysed pupil premium, free school meals and indices of deprivation data alongside consultation with senior school leaders to target a programme to support schools in reengaging pupils in areas that have been disproportionately affected by the pandemic
- have a total of 268 resources, toolkits and reports available for free download on the Artswork website, an increase of 14% on the previous year
- sent monthly newsletters to more than 2500 individuals, organisations and schools.
- shared and celebrated with our Twitter following of 6536 and 1092 Instagram and 1700 Facebook followers
- connectingwithculture.com which aims to connect schools and settings and with cultural education offers, now features a total of 245 profiles of arts and cultural organisations

Arts Award

Arts Award can be delivered with any arts or cultural activity and in any organisation – including schools, colleges, theatres, galleries, museums, libraries, arts centres, heritage organisations, alternative education provisions, performing groups, youth justice settings, youth clubs or community groups and healthcare services. It validates existing artistic interests and can be a child or young person's first opportunity to think and work creatively. The five levels (Discover, Explore, Bronze, Silver and Gold) support creative progression from early exploration to the development of the professional skills required to be the next generation of artists and art leaders.

Artswork leads an Arts Award Leadership Network of 7 organisations & individuals who provide mentoring to arts and cultural organisations to support them to embed and strengthen their Arts Award offer. We also embed Arts Award across our Schools Engagement and targeted programmes including Portsmouth Creative Skills and Arun Inspires.

During 2021/22 we delivered a series of well-attended online support sessions including Delivering Arts Award for the first time, Funding your Arts Award project and Delivering Arts Award Digitally.

Young People's Employability Programmes

Artswork's Creative Apprenticeship Programme paused for review during 2021/2022 following the completion of cohort 7 with our Level 3 Event Assistant Apprentices achieving a 100% success rate.

Our work-based learning offer pivoted to deliver 3 cohorts of Kickstart opportunities providing 36 young people aged 16-24 claiming universal credit with a six-month paid work placement. Working in partnership with RIO and employers across the south-east, Artswork is providing a wrap-around training programme to develop transferable skills, introduce working in the creative industries, and inviting participants to be youth voice experts in the arts and cultural organisations hosting them.

<https://artswork.org.uk/our-work-with-young-people/for-young-people/kickstart/>

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2022

Portsmouth Creative Skills

This year saw the return of our Portsmouth Creative Skills programme that delivers a vital opportunity for care leavers and looked-after young people to develop life skills, confidence and a sense of possibility. This innovative partnership with Portsmouth City Council Children's Services and the Portsmouth Virtual School, enhances the connection between education and the workplace. It gives young people opportunities to engage in arts activities with professional artists, develops social, communication, team and professional skills and to gain a nationally recognised qualification. In 2021/22, all participants gained Bronze Arts Award and the programme culminated in an intensive film making project with the final piece *Night Mayor* being premiered on Portsmouth's Big Screen in Guildhall Square.

<https://www.youtube.com/watch?v=jHAmuJunKbA>

Arun Inspires

This year work has focussed on delivering the revised 2020-22 Business Plan for our cultural development programme for children and young people in the district of Arun, West Sussex. Arun Inspires is advancing the cultural offer for Arun's children and young people by developing progressive and meaningful new creative opportunities working in partnership with the cultural, education, youth and community sectors at a local, regional and national level.

Highlights for 2021/22 include:

A Cultural Regeneration programme in partnership with Arun District Council, Littlehampton Town Council and Bognor Regis Business Improvement District to deliver high quality cultural events which inclusively engage local children and young people to reimagine their High Streets, increase footfall and pride of place. The 2021 Littlehampton High Street event – LOVE Local – was shortlisted for the national Hearts for the Arts Awards (run by the National Campaign for the Arts) in the category Best Arts Project run in partnership with a local authority.

Delivery of our Creative Commissioning for Children and Young Peoples' Mental Health strand working in partnership with Active Sussex, the West Sussex Health and Wellbeing Board and NHS Local Community Networks. 4 local groups are delivering new projects combining creativity and physical activity and measuring their outcomes using robust mental health outcome measures. The work is developing sector readiness for social prescribing for under 18s.

The completion of The Angmering School, STEAM-inspired public sculpture commission led by artist Tim Ward with 40 students, supported by Pallant House, SI Protech and Angmering Parish Council. Culminating in the unveiling of a new practical sculpture – the rainbow dog bench – in public space in Angmering, the work was launched on 24 November with a well-attended community event.

EXPO events at 4 secondary schools focused on demystifying career pathways in the Creative Industries. The programme brought more than 50 creative professionals into local schools reaching over 300 Year 9 students.

Artswork is highly appreciative to our many partners and stakeholders for their commitment to raising cultural aspirations and opportunities in Arun.

<https://artswork.org.uk/programmes/arun-inspires/>

Artswork Professional Development - CPD for the Arts, Culture and Youth sectors

Our professional development courses offer a practical way for arts, culture and education professionals at any level to build their skills and increase their knowledge and understanding of work with young people. A brand new online asynchronous learning offer was launched in October 2021 with our Introduction to Child Protection and Safeguarding course, and 2 other on demand courses developed and delivered this year.

**ARTSWORK LIMITED
TRUSTEES REPORT
FOR YEAR ENDED 31 MARCH 2022**

We delivered 32 open courses, a number of which sold out including Creative Consultation, Project Management and Child Protection.

In-house training has grown this year with 33 courses delivered for 24 organisations including:

Cardboard Citizens

Engage

Fermanagh & Omagh District Council

Film London

Historic England

Shakespeare's Globe

Soundmix

South East Dance

Wessex Archaeology

Young Vic

Artswork is indebted to the expertise and energy of its training team and grateful for their work in adapting training to new contexts whilst ensuring a continuing high-quality offer.

Artswork's Professional Development brochure is available for further information:

<https://artswork.org.uk/resources/artsworks-professional-development-brochure/>

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ARTSWORK LIMITED

Opinion

We have audited the financial statements of Artswork Limited for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ARTSWORK LIMITED

Responsibilities of trustees

As explained more fully in the statement of responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ARTSWORK LIMITED

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- tested a sample of BACS payments to identify payments being made to unexpected bank accounts.
- performed transactional testing on payroll costs in respect of those employees with responsibility or authority in connection with the payroll function.
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Paul Meacher

**Paul Meacher FCA (Senior Statutory Auditor)
for and on behalf of Fiander Tovell Limited**

6/12/2022 | 07:45 GMT
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**Chartered Accountants
Statutory Auditor**

Stag Gates House
63/64 The Avenue
Southampton
Hampshire
SO17 1XS

Fiander Tovell Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ARTSWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	1,370	993	2,363	18	3,664	3,682
Charitable activities	4	137,070	2,206,745	2,343,815	119,810	1,720,685	1,840,495
Investments	5	4,924	-	4,924	6,424	-	6,424
Other income	6	-	2,477	2,477	5,095	12,204	17,299
Total income		<u>143,364</u>	<u>2,210,215</u>	<u>2,353,579</u>	<u>131,347</u>	<u>1,736,553</u>	<u>1,867,900</u>
<u>Expenditure on:</u>							
Charitable activities	7	<u>111,113</u>	<u>2,416,303</u>	<u>2,527,416</u>	<u>135,384</u>	<u>1,643,453</u>	<u>1,778,837</u>
Net income/(expenditure) for the year/							
Net movement in funds		32,251	(206,088)	(173,837)	(4,037)	93,100	89,063
Fund balances at 1 April 2021		<u>455,181</u>	<u>1,623,743</u>	<u>2,078,924</u>	<u>459,218</u>	<u>1,530,643</u>	<u>1,989,861</u>
Fund balances at 31 March 2022		<u><u>487,432</u></u>	<u><u>1,417,655</u></u>	<u><u>1,905,087</u></u>	<u><u>455,181</u></u>	<u><u>1,623,743</u></u>	<u><u>2,078,924</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ARTSWORK LIMITED**BALANCE SHEET****AS AT 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	11		22,390		9,592
Current assets					
Debtors	12	93,000		138,282	
Cash at bank and in hand		1,961,581		2,151,643	
		<u>2,054,581</u>		<u>2,289,925</u>	
Creditors: amounts falling due within one year	13	<u>(171,884)</u>		<u>(220,593)</u>	
Net current assets			1,882,697		2,069,332
Total assets less current liabilities			<u>1,905,087</u>		<u>2,078,924</u>
Income funds					
Restricted funds	16		1,417,655		1,623,743
<u>Unrestricted funds - general</u>					
Designated funds	17	10,537		25,290	
General unrestricted funds		476,895		429,891	
			<u>487,432</u>		<u>455,181</u>
			<u>1,905,087</u>		<u>2,078,924</u>

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

5/12/2022 | 19:31 GMT

The financial statements were approved by the Trustees on

Norinne Betjemann

N Betjemann
Chair

Company Registration No. 2150619

ARTSWORK LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(171,485)		119,347
Investing activities					
Purchase of tangible fixed assets		(23,501)		(1,499)	
Interest received		4,924		6,424	
Net cash (used in)/generated from investing activities					
			(18,577)		4,925
Net cash used in financing activities					
			-		-
Net (decrease)/increase in cash and cash equivalents					
			(190,062)		124,272
Cash and cash equivalents at beginning of year			2,151,643		2,027,371
Cash and cash equivalents at end of year			<u>1,961,581</u>		<u>2,151,643</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Artswork Limited is a charitable company limited by guarantee incorporated in England and Wales. The registered office is First Floor, Latimer House, 5-7 Cumberland Place, Southampton, Hampshire, SO15 2BH.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum of Association, 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 charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company 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.

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised in full in the Statement of Financial Activity in the year in which they are receivable. Grants related to specific performance outputs or service level agreements are classified as incoming resources for charitable activities and are recognised when the charitable company has earned entitlement.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.5 Resources expended

Liabilities are recognised in the period to which they relate. The value of any liability includes irrecoverable VAT where applicable.

Resources expended are allocated directly to the relevant activity, project or fund as far as possible and in accordance with the agreed funding terms.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% reducing balance
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 payments 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Provisions

Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision measured at present value the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period it arises.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Government Grants

Government grants relate to furlough claims and are recognised in the SOFA in the same period as the costs to which they relate.

2 Critical accounting estimates and judgements

In the application of the charitable company'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 ongoing 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 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	1,370	993	2,363	18	3,664	3,682
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022 £	2021 £
Services provided under contract	137,070	119,810
Performance related grants	2,206,745	1,720,685
	<u>2,343,815</u>	<u>1,840,495</u>
Analysis by fund		
Unrestricted funds - general	137,070	119,810
Restricted funds	2,206,745	1,720,685
	<u>2,343,815</u>	<u>1,840,495</u>
Performance related grants		
ACE - Bridge project	1,714,354	1,641,354
Arun	52,375	-
Youth Endowment Fund	179,604	-
Kickstart	194,418	-
Other (see full breakdown in note 16)	65,994	79,331
	<u>2,206,745</u>	<u>1,720,685</u>

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	4,924	6,424
	<u>4,924</u>	<u>6,424</u>

Investment income was unrestricted in both the current and comparative periods.

6 Other income

	Restricted funds 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Other income	2,477	5,095	12,204	17,299
	<u>2,477</u>	<u>5,095</u>	<u>12,204</u>	<u>17,299</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	2022 £	2021 £
Staff costs	1,082,126	930,167
Depreciation and impairment	10,703	9,313
Programme delivery	1,425,557	829,282
	<u>2,518,386</u>	<u>1,768,762</u>
Share of governance costs (see note 8)	9,030	10,075
	<u>2,527,416</u>	<u>1,778,837</u>
Analysis by fund		
Unrestricted funds - general	111,113	135,384
Restricted funds	2,416,303	1,643,453
	<u>2,527,416</u>	<u>1,778,837</u>

8 Support costs

	Support costs £	Governance costs £	2022 Support costs		Governance costs	2021
	£	£	£	£	£	£
Audit fees	-	7,680	7,680	-	7,090	7,090
Accountancy	-	1,350	1,350	-	1,080	1,080
Legal and professional	-	-	-	-	1,905	1,905
	<u>-</u>	<u>9,030</u>	<u>9,030</u>	<u>-</u>	<u>10,075</u>	<u>10,075</u>
Analysed between						
Charitable activities	<u>-</u>	<u>9,030</u>	<u>9,030</u>	<u>-</u>	<u>10,075</u>	<u>10,075</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expense reimbursements during the year (2021 - 4 were reimbursed £453).

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Full time	16	16
Part time	31	14
	47	30

Employment costs

	2022 £	2021 £
Wages and salaries	984,968	839,352
Social security costs	80,251	75,208
Other pension costs	16,907	15,607
	1,082,126	930,167

The number of employees on a full time equivalent basis was 35 (2021: 27).

There were no employees whose annual remuneration was £60,000 or more in either year.

11 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2021	1,516	65,097	66,613
Additions	-	23,501	23,501
	1,516	88,598	90,114
Depreciation and impairment			
At 1 April 2021	1,503	55,518	57,021
Depreciation charged in the year	2	10,701	10,703
	1,505	66,219	67,724
Carrying amount			
At 31 March 2022	11	22,379	22,390
	13	9,579	9,592
At 31 March 2021			

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	3,072	2,103
Other debtors	3,555	5,251
Prepayments and accrued income	86,373	130,928
	<u>93,000</u>	<u>138,282</u>

13 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Other taxation and social security		21,715	18,224
Deferred income	14	4,639	5,452
Trade creditors		112,019	184,236
Accruals and deferred income		33,511	12,681
		<u>171,884</u>	<u>220,593</u>

14 Deferred income

	2022	2021
	£	£
Other deferred income	<u>4,639</u>	<u>5,452</u>

Deferred income is included in the financial statements as follows:

	2022	2021
	£	£
Current liabilities	<u>4,639</u>	<u>5,452</u>
	<u>4,639</u>	<u>5,452</u>

Deferred income relates to course booking fees received in advance. The entirety of the balance at 31 March 2021 had been released to the SOFA in the year ended 31 March 2022.

15 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes is shown in note 10. £4,484 (2021 - £4,014) of these contributions are unpaid as at the balance sheet date.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 31 March 2022 £
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	
ACE - Bridge including Artsmark and DFE	1,442,552	1,714,354	(1,918,174)	1,238,732
Creative Apprentice	11,890	5,949	(17,839)	-
Portsmouth Skills	24,896	32,476	(35,976)	21,396
Arun	142,823	52,375	(116,463)	78,735
Let's Create	1,582	6,657	(7,961)	278
HAF	-	24,382	(24,382)	-
Youth Endowment Fund	-	179,604	(148,436)	31,168
Kickstart	-	194,418	(147,072)	47,346
	<u>1,623,743</u>	<u>2,210,215</u>	<u>(2,416,303)</u>	<u>1,417,655</u>

	Movement in funds			Balance at 31 March 2021 £
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	
ACE - Bridge including Artsmark and DFE	1,356,187	1,641,354	(1,554,989)	1,442,552
Creative Apprentice	9,760	19,143	(17,013)	11,890
Creativity Plus	(7,494)	7,494	-	-
Portsmouth Skills	27,867	12,204	(15,175)	24,896
Arun	144,323	30,000	(31,500)	142,823
Let's Create	-	26,358	(24,776)	1,582
	<u>1,530,643</u>	<u>1,736,553</u>	<u>(1,643,453)</u>	<u>1,623,743</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Restricted funds

(Continued)

a) Arts Council England - Bridge including Artsmark and DFE funding

In April 2011, Arts Council England (ACE) announced a new national network of 'Bridge' organisations, to ensure all children and young people experience the richness of the arts both in and outside of school. Artswork was selected as one of the 10 Bridge organisations across England - initially from 2012 to 2015 - to work strategically to develop and deliver increased access to arts and culture, and better connect arts and cultural organisations with children and young people, families and schools. ACE committed some £4.5m over this period to Artswork to deliver this role.

The funding comes from £10 million a year of Lottery money which ACE has allocated to support their network of bridge organisations. In 2014, ACE confirmed a further tranche of 3-year Bridge funding to enable Artswork to deliver a second phase from 2015 to 2018. In 2019, ACE confirmed a further tranche of funding to allow Artswork to continue to deliver Bridge until 2022. More recently ACE confirmed a fourth phase that will allow Artswork to continue the Bridge programme up to 2026.

b) Creative Apprenticeship Programme

Working in partnership with Eastleigh College and with cultural employers in Hampshire, Portsmouth, Southampton and the Isle of Wight, Artswork continues to deliver a Creative Apprenticeship programme. This was designed to create new entry level routes into the creative and cultural sector, to diversify the workforce, and to provide work based learning opportunities for young people to equip them with practical skills and knowledge needed to develop a career in the arts and cultural sectors.

c) Portsmouth Creative Skills Programme

Building on the success of the Creative Skills Initiative (a national programme for 16-21 year olds), we have begun delivery of the second year of a three-year Portsmouth Creative Skills Programme, which we are undertaking with Portsmouth City Council's Virtual School and Leaving Care Service. This is funded through The Blagrove Trust, and forms part of the work of Portsmouth's Cultural Education Partnership, with associated Partnership Investment.

d) Arun

In March 2018, following a successful submission by Artswork, the Board of Culture, Art and Sport (Arun) Limited, a former provider to Arun District Council, gifted £250,000 to Artswork to support arts development and growth in Arun. Enhanced by Partnership investment (£100,000) agreed by Artswork Trustees and Arts Council England, Artswork is:

- a) Supporting our delivery partner, Chichester Festival Theatre, on a programme that includes:
 - Antbullying project (Advocacy in Schools)
 - Schools' Fest (a celebration of young people and the arts)
 - Inclusion and Diversity working with vulnerable young people in Littlehampton and Bognor
- b) Developing a business plan against three identified priorities
 - Raising Aspirations:
 - Improving mental health and wellbeing outcomes for CYP through arts and culture.
 - Embedding the work in economic regeneration and increased pride of place in Arun

e) Let's Create

Artswork participated in a national initiative delivered by Bridge organisations to create and deliver packs of arts and crafts materials to children and young people in need or facing disadvantage in the south east. Initially funded by Arts Council England and the Crafts Council, with further funds from The Art Fund, the programme was delivered to coincide with the 2020 spring, summer and autumn school holidays. A further Christmas initiative was made possible through donations raised through Artswork's individual giving campaign. Packs were distributed to children via arts organisations, education settings including SEND schools, food banks, libraries and youth organisations.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Restricted funds

(Continued)

f) HAF

Artswork was given a Grant by Portsmouth City Council, a registered provider of the Government Holiday Activities and Food (HAF) programme. The Grant was to deliver a programme of healthy food and enriching activities during the summer and winter school holidays for pupils who receive benefits-related free school meals. The participants attended free sessions during which a meal was provided alongside arts and physical activities, nutritional information and education for participants and their families and signposting to services and further support. The programme was delivered in Portsmouth during August and December 2021.

g) Youth Endowment Fund

Artswork is a Grant recipient of the Youth Endowment Fund for the Peer Action Collective programme. The work aims to prevent children and young people from becoming involved in crime and violence. The National Peer Research and Social Action Network is working to:

- Gain a deeper understanding of young people's experiences of violence and the factors that could prevent it
- Create strong local networks and relationships for change
- Help children and young people develop skills and access opportunities
- Achieve direct change in people's communities

Artswork is employing and leading a team of young Peer Researchers to design the research, recruit and interview participants about their experiences of crime and violence and enlisting participants to become Changemakers. The programme runs from summer 2021 until March 2023.

h) Kickstart

Artswork is a participant in the Department for Work and Pensions (DWP) Kickstart employment programme for young people at risk of long-term unemployment. The DWP Grant requires Artswork to deliver a 6 month employment and training programme in partnership with its Gateway partner Real Ideas Organisation. The Grant covers the salary, national insurance and pension contributions for each employee plus set-up, training and support costs for each participant. The programme runs between July 2021 and September 2022.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Investing in the future	28,476	38,317	(52,040)	14,753	18,890	(33,643)	-
Catalyst Evolve	23,977	-	(23,977)	-	-	-	-
International Development	537	-	-	537	-	-	537
Rent Provision	10,000	-	-	10,000	-	-	10,000
	<u>62,990</u>	<u>38,317</u>	<u>(76,017)</u>	<u>25,290</u>	<u>18,890</u>	<u>(33,643)</u>	<u>10,537</u>

a) Investing in the Future Fund

A fund originally designated in 2015 to support the development work of Learning and Skills (wider programmes)

b) Catalyst: Evolve

In 2016, Artswork was successful in its application to Arts Council England's Catalyst: Evolve fund. This Fund aims to help organisations develop successful and sustainable fundraising models by investing in their capacity. A proportion of money raised will be matched by the fund over a period of three years. Catalyst: Evolve funding will enable Artswork to build resilience in its wider programmes of work, support the enhancement of fundraising skills and strengths across the organisation, and help secure new sources of funding to develop direct work with, for and by children and young people.

c) International Development

This was a fund designated to support Artswork in the development of international partnerships. Artswork's CEO travelled to Chile in August 2017 to deliver a presentation at an international symposium run by Balmaceda Arte Joven – a Chilean youth arts organisation. The CEO was supported by Arts Council England (International Artists Development Fund) and by the Anglo-Chilean Society with only a small amount drawn down from Artswork's designated fund.

d) Rent Provision

A provision of £10,000 was agreed by trustees to allocate toward rent from the Wider Programmes budget.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18 Analysis of net assets between funds

	Restricted funds £	Designated funds £	Unrestricted funds £	Total £
Fund balances at 31 March 2022 are represented by:				
Tangible assets	22,390	-	-	22,390
Current assets/(liabilities)	454,505	10,537	1,417,655	1,882,697
	<u>476,895</u>	<u>10,537</u>	<u>1,417,655</u>	<u>1,905,087</u>

	Restricted funds £	Designated funds £	Unrestricted funds £	Total £
Fund balances at 31 March 2021 are represented by:				
Tangible assets	9,592			9,592
Current assets/(liabilities)	420,299	25,290	1,623,743	2,069,332
	<u>429,891</u>	<u>25,290</u>	<u>1,623,743</u>	<u>2,078,924</u>

19 Financial commitments, guarantees and contingent liabilities

The charitable company is committed to pay £798,051 (2021- £856,052) in relation to funding agreements agreed with providers for programme delivery where payment conditions have not yet been met.

20 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	55,059	63,846
Between two and five years	3,563	63,846
	<u>58,622</u>	<u>127,692</u>

During the period, the charitable company recognised £61,636 (2021 - £65,336) of lease costs in respect of leases detailed in this note.

ARTSWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022****21 Related party transactions****Remuneration of key management personnel**

The remuneration of key management personnel, is as follows.

	2022	2021
	£	£
Aggregate compensation	409,416	338,114

None of the key management personnel are trustees or directors.

22 Cash generated from operations

	2022	2021
	£	£
(Deficit)/surplus for the year	(173,837)	89,063
Adjustments for:		
Investment income recognised in statement of financial activities	(4,924)	(6,424)
Depreciation and impairment of tangible fixed assets	10,703	9,313
Movements in working capital:		
Decrease/(increase) in debtors	45,282	(92,781)
(Decrease)/increase in creditors	(47,896)	121,523
(Decrease) in deferred income	(813)	(1,348)
Cash (absorbed by)/generated from operations	(171,485)	119,346

23 Analysis of changes in net funds

The charitable company had no debt during the year.

ARTSWORK LIMITED

England & Wales - Charity number 800143

Accounts

Charity Registration No. 800143

Company Registration No. 2150619 (England and Wales)

ARTSWORK LIMITED
ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

**ARTSWORK LIMITED
TRUSTEES REPORT
FOR YEAR ENDED 31 MARCH 2021**

Legal and Administrative Information

Trustees	Norinne Betjemann (appointed May 2016) Rick Hall (appointed September 2004) Hilary P Durman (resigned December 2020) Sabita Kumari-Dass (appointed June 2015) Fiona Parkinson (appointed May 2016) Dr Emma Dyer (appointed February 2017) Ama Afrifa-Tchie (appointed December 2018 and resigned September 2021) Jason Jones – Hall (appointed December 2018) Harley Russell (appointed December 2019) Victoria Edwards (appointed February 2020) Wanjiku Nyachae (appointed December 2020)
Chair	N Betjemann
Chief Executive	L Govier
Secretary	S Warwick
Charity number	800143
Company number	2150619
Registered office	1 st Floor, Latimer House 5-7 Cumberland Place SOUTHAMPTON SO15 2BH
Auditors	Fiander Tovell Stag Gates House 63/64 The Avenue Southampton S017 1XS
Bankers	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB Santander UK Plc Business and Corporate Banking Operations Bridle Road Bootle Merseyside L30 4GB Triodos Bank UK Deanery Road Bristol BS1 5AS
Contact Details	info@artswork.org.uk www.artswork.org.uk

ARTSWORK LIMITED

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ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, subsequently updated with effect from January 2019 (FRS 102).

Introduction

At Artswork we strive to make the arts and creativity available to absolutely everyone. We aim to break through barriers and develop new ways for people to discover the success, empowerment and sheer joy that the arts and creativity can bring to classrooms, communities and careers.

Imagine if... all our children were happy and confident, strong in their sense of self and the world that they live in.

Imagine if... every child – irrespective of race, background, wealth, identity or ability - felt valued, heard and represented.

Imagine if... we gave them all the opportunity to explore and fulfil their potential in a future that we are all making together.

Imagine if... we kept a sense of wonder, creativity and learning throughout our lives.

The Artswork team works regionally, nationally and internationally to make these aspirations a reality.

Chair's Statement 2020/21

This year we were reminded more than ever of the importance of arts, culture and creativity to the lives of children and young people. Our work to advocate, empower and level up the opportunities for creative engagement and cultural education has never been more vital.

During 2020/21 Artswork responded to the need for dynamism by rapidly innovating the way our programmes are delivered utilising digital engagement when many of the traditional ways of accessing the arts were prohibited. We recognised the need for flexibility in our Bridge programmes, working with each partner to ensure quality delivery could continue where possible, and supporting them whilst plans evolved. We thank Arts Council England for their enabling approach and guidance.

The case for the importance of creativity for *all* children and young people was brought home with the resurgence of the Black Lives Matter protests against racism and race inequity, the disproportionate impact of the pandemic on children and young peoples' wellbeing and life chances, the climate and biodiversity crisis and the growing voice of children and young people in demanding sustainable structural and societal change. Existing inequalities as a result of disability, economic, educational and social disadvantage, and geography have widened, and our work must be ambitious and transform to meet these challenges.

New partnerships and ways of working are at the heart of this evolution. This year we worked nationally with strategic and grassroots partners to deliver arts supplies to children in lockdown, reaching 6980 young people in communities in the South-East. As library services were interrupted, Artswork supported the distribution of 62,500 Summer Reading Challenge packs across Hampshire, Buckinghamshire, Portsmouth and Oxford.

We are enormously grateful to our partners, stakeholders, collaborators and critical friends who work beside us to deliver our mutual aims and to those funders, advocates and the many that made generous donations this year.

This annual report also provides me with the opportunity to extend my appreciation and admiration for the Artswork staff team, for their dedication and commitment and energy in a difficult year. I also pay tribute to the strong leadership provided by both Jane Bryant, Artswork's outgoing CEO, and to Louise Govier, our new CEO as she takes the organisation forward in this next chapter of our work.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2021

I would also like to thank my fellow Trustees for the additional time and support they have provided over the last year and their continuing expertise, wisdom and insight. I look forward to working with them and the staff team over the coming 12 months as we deliver a refreshed mission and business plan that will ensure the relevance and success of our work in reaching those who can benefit the most.

Artswork Trustees 2020/21

The trustees, who are also the directors for the purpose of company law, and who served in the year were:

Norinne Betjemann (appointed May 2016)
Rick Hall (appointed September 2004)
Hilary P Durman (resigned December 2020)
Sabita Kumari-Dass (appointed June 2015)
Fiona Parkinson (appointed May 2016)
Dr Emma Dyer (appointed February 2017)
Ama Afrifa-Tchie (appointed December 2018 and resigned September 2021)
Jason Jones – Hall (appointed December 2018)
Harley Russell (appointed December 2019)
Victoria Edwards (appointed February 2020)
Wanjiku Nyachae (appointed December 2020)

Artswork Leadership Team 2020/21

Jane Bryant – Chief Executive (until September 2020)
Louise Govier – Chief Executive (from August 2020)
Sarah Warwick – Head of Finance & Operations
Annabel Cook – Head of Education, Skills and Enterprise
Donna Vose – Contracts & Policy Manager
Lucy-Jane Fitzpatrick – Senior Manager, Communications & Development
Richard Beales – Strategic Manager
Lucy Marder – Strategic Manager
Beatrice Prosser-Snelling – Strategic Manager
Ruth Taylor – Strategic Manager

See full Artswork team: <https://artswork.org.uk/about-us/staff-trustees-trainers/>

Artswork's Aims, Objectives and Activities

At Artswork we believe in the power of the arts and creativity to:

- fundamentally shape happier and healthier children and young people
- broaden horizons, open opportunities and enrich the lives of children and young people
- make a difference from birth - we sing before we talk, we dance before we walk
- help develop skills and experiences enabling all children and young people to thrive, progress and achieve
- enable and inspire expression for everyone

At Artswork we strive to make the arts and creativity available to absolutely everyone. We aim to break through barriers and develop new ways for people to discover the success, empowerment and sheer joy that the arts and creativity can bring to classrooms, communities and careers.

We achieve this through:

- supporting partnerships across cultural organisations and education that will create lasting change
- devising and delivering inclusive programmes that empower the most under-represented in society
- developing young people's skills, for their own growth and as future cultural leaders

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- enabling children and young people from any background to find their voice and encouraging others to listen to and support them
- delivering creative training that nurtures innovation and progress

The objectives of the charity are to promote, maintain, improve and advance public education, appreciation and understanding of youth arts. The charitable company continues to explore new ways of improving provision for children and young people in creative activities.

Public benefit aims

Public benefit is at the heart of what Artswork does. In the third year of our current business plan, Artswork is delivering its mission through the following key public benefit aims:

- Lead and strengthen arts and cultural engagement with children and young people
- Recognise, facilitate and lead the development of opportunities for work-based learning, employability and entrepreneurship
- Enhance expertise, skills, knowledge and understanding of the arts and culture in work for, with and by children and young people
- Build and facilitate cross-sector partnerships between those working in the arts and culture and those working with children and young people
- Collect and share evidence of good practice and success stories
- Actively promote networking, partnership and collaboration
- Practice effective governance, leadership and management of Artswork

We deliver our aims through a range of strategic programmes:

- As the Arts Council-funded Bridge organisation for the southeast region, working strategically to connect children and young people with arts and culture. This role is confirmed by Arts Council England for a further phase, up to the end of March 2022.
- Through our Leadership, Skills and Enterprise work, which includes:
 - Building leadership, enterprise, skills and workforce development – locally, regionally and nationally – in relation to both young people and to those who work with them
 - Advocacy, championing and networks – locally, nationally and internationally
 - Strategic partnership projects creating evidence of excellent practice.

Trustees monitor performance on a quarterly basis and measure this against key performance indicators, budget allocation and spend.

The Year in Numbers

During 2021/21, Artswork:

- Had **9465** direct engagements with children and young people through our programmes
- Worked with over **420** arts, culture and heritage organisations and youth partners

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- Supported **15** Cultural Education Partnerships
- Contracted **6** Partnership Investments, with match funding of **£1.50** for every **£1** of Artswork investment
- Engaged with **349** education settings in the southeast
- Supported the training of **154** new Arts Award advisers
- **65** new settings registered for Artsmark, creating a total of **782** settings engaged
- Delivered **77** Artswork Professional Development in-house and open training courses reaching **938** people.
- Supported **5** young people on our Creative Apprenticeship programme
- Distributed **480** creative Christmas boxes to children and young people through schools, youth organisations and food banks, made possible by individual donations

A full summary of activities and achievements is contained in the Appendix to this report.

Financial Review 2020/21

Artswork's income in the financial year 2020/21 increased moderately compared to 2019/20. This was due partly to additional funds received to deliver Let's Create arts and crafts packs during Covid –19.

We have now completed year 3 of Phase 3 of Arts Council England's grant of £6m over 4 years for our work as the Bridge Organisation for the South-East. Further income was awarded by the Department for Education to widen the scope of the Bridge role plus Artswork received a modest inflationary increase from ACE. 2020/21 therefore saw investment of £1,547,354 from Arts Council England and £94,000 from the Department for Education.

Artswork has again been successful in generating programme income from a range of sources, including local and national agencies, and via delivery and receipt of training and event fees. Artswork controls expenditure well, both within core and project budgets. We also maintain healthy reserves. Artswork's Professional Development Programme continues to generate a steady and sustainable income stream.

The ongoing use of effective control and tracking systems (including purchase orders and ongoing interrogated budgeting) has produced clarity in short-term and long-term financial planning and management. Regular reviews of Artswork's financial planning and management accounts at Trustee board meetings have enabled the Trustees to maintain a consistent and detailed overview of the charity's financial progress and achievements.

Principal funding sources and activities 2020/21

Artswork achieved income from a range of sources during 2020/21. We also maintained excellent accounts and financial processes – evidenced by a complimentary report on the year from our auditors, Fiander Tovell.

Funds raised included:

- Arts Council England – £1,547,354 to deliver the southeast Bridge role
- Department for Education – £94,000 to extend our schools engagement work
- Eastleigh College – £18,601 to deliver the Creative Apprentice Programme
- Let's Create – £26,358 to deliver creative arts and craft packs of which £6,193 was from Artswork's individual giving campaigns

Reserves Policy

Artswork, like many small charities, has limited opportunity to generate unrestricted income. Through continued careful budget forecasting, application for full cost recovery where possible, strict management of expenditure and utilisation of high interest bank accounts, Artswork has continued to build up reserves of £366,047 for general contingency requirements. Artswork aims to retain at least £200,000 of unrestricted

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funds. Designated funds are established by Trustees for specific future spending plans and projects, and after making these designations, the Trustees seek to retain a general fund to cover 12 months core running costs and closure costs, not specifically met by programme grants.

Covid-19 and a Going Concern

In moving much of its work online, Artswork has successfully mitigated many of the potential impacts of Covid-19. We have kept the doors open and given priority to nurturing and reinforcing relationships with partners and stakeholders whilst undertaking a thorough budget review to find operational economies that have enabled us to respond to new opportunities in this time. Specifically, the follow highlights the rationale for Artswork regarding itself as a going concern.

- 1) Arts Council England has confirmed it will accept applications for an extension year until end of March 2023. Artswork is able to and will apply for a grant at the same level as 2021/22.
- 2) Artswork reviewed all areas of the 2020/21 and 2021/22 budgets and renegotiated with several key suppliers to find operational savings. This has enabled us to allocate £120,000 into new programme delivery and positions us well to deliver our Business Plan effectively over the next two years including its realignment to Arts Council England's Let's Create strategy.
- 3) Artswork has carefully budgeted its wider programmes of work and through online delivery and format innovation, and with good carry forward from previous years, we are confident that the budget for 2021/22 is sound and achievable.
- 4) Artswork will actively seek to implement its fundraising strategy seeking funds from a range of sources to enable it to deliver its plans for the wider programmes.
- 5) Artswork has an additional amount of free reserves (after agreed allocations and designations) which provides a further cushion for our wider programmes if required.

Plans for 21/22 onwards

Artswork has moved swiftly and dynamically over the last 12 months to transform the way it delivers its work. This had led to innovation and new opportunities to deliver our mission and create new partnerships to ensure our work reaches those most in need. We are reframing our business plan for 2021/22 and have responded to the opportunity to apply for an extension year to 2023 for our Bridge role. To align to Arts Council England's 10-year strategy, Let's Create, we are developing on the ground partnerships to embed arts and creativity in a range of services delivered by the voluntary and public sectors.

We are reviewing everything we do through the lens of race equity and undertaking more consultation and listening than ever before. This will include working with an external educator and facilitator to provide an extended programme of awareness raising, training and guided learning.

In a year of disruptive education that was challenging for all children and young people, especially for those already facing disadvantage or approaching educational transition, we undertook the groundwork for a creative programme to be delivered over the next two years. Working with school leaders we will deliver CPD, an Artsmark Champions programme, a Creative Careers strand for primary pupils, and Creative Steps, a peer-led support and mentoring programme for schools not currently using arts and creativity to support school priorities and improvement outcomes.

Looking ahead we will see the return of our Portsmouth Creative Skills programme that delivers a vital opportunity for care leavers and looked-after young people to develop life skills, confidence and a sense of possibility. This innovative partnership with Portsmouth City Council Children's Services and the Portsmouth Virtual School, enhances the connection between education and the workplace; giving young people opportunities to engage in arts activities with professional artists, develop social, communication, team and professional skills and gain a nationally recognised qualification.

Recognising the disproportionate impact of Covid-19 on job opportunities for young people, we will seek new opportunities to deliver employability programmes that embed enhanced training to build aspiration, self-esteem and improve life chances.

Louise Govier, Chief Executive, Artswork

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2021

Structure, Governance and Management

The organisation is a charitable company, limited by guarantee, incorporated on 27th July 1987 and registered as a charity on 5th October 1988. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Artswork has an active and committed Board of Trustees with the necessary skills and experience to guide and govern the charity. New trustees are recruited using a variety of methods: via 'Board Bank' (including e.g. Inclusive Boards); personal recommendations by Chair, trustees, senior management team and other staff; from our pool of volunteers; through recruitment adverts. Trustees' Skills Audits identify potential skills gaps on the Board and inform Artswork's Board recruitment strategies.

Prospective new trustees meet with the Chair and Chief Executive prior to appointment and/or may be invited to a more formal interview process. Following appointment, they are supplied with a 'Governance/Induction Pack', containing: Artswork constitution; history of Artswork; all approved Artswork policies, including those outlining Artswork's commitment to Equalities and Safeguarding; most recent annual report; Charities Commission 'Role of Trustees' booklet; most recent minutes; most recent audited accounts; generic publicity information; declaration form and project information.

New Trustees attend a quarterly Board meeting and are nominated by an existing Trustee; this nomination is seconded by another Trustee (this is minuted). Annually, Artswork organises a Board and Staff 'away day' and all Trustees are encouraged to attend Artswork's projects, programmes and events.

At quarterly meetings, new policies are presented to the Board for approval. Key existing policies are also reviewed (usually annually) by Board and senior staff. Artswork's Business Plan and related annual work plans and budget forecasts are prepared by senior staff and approved by the Board. Management accounts are presented to the Board each quarter.

The Chief Executive is responsible for the day-to-day management of Artswork. She works with a senior team who have an overview of the Artswork's work (Head of Finance & Operations; Head of Educations, Skills and Enterprise) with input and advice from other members of the senior leadership team as required as well as the Contracts & Policy Manager and the Communications Manager. In addition, there are a small number of other organisational teams who lead on our key areas of work:

- Bridge: The Strategic Manager team is responsible for overseeing and implementing of our Bridge Action Plan working in conjunction with the CEO, the Education Development Managers and the Artsmark/Arts Award team – supported by the Data Research Manager
- Leadership, Skills and Enterprise team
- Finance and Operations team
- Communications and Development team who lead and deliver our Communications work across Artswork, with a Senior manager leading on fundraising.

Trustees agree the Business Plan and associated action plans and the staff team deliver this, reporting back on progression on a quarterly basis. Trustees set the salary of the Chief Executive. They also review pay and remuneration on an annual basis agreeing appropriate % increases in line with inflation (usually up to 2%). They will also, on occasion, review specific posts to ensure these are still in keeping with Artswork's analysis of responsibilities and salary levels/bands.

Funds held as Custodian Trustee on Behalf of Others

None.

Risk Review

The Chair and Chief Executive have carried out a risk assessment of the charitable company's activities. The risk assessment matrix produced as a result of this process also contains an assessment of fraud risk. The matrix has been fully reviewed by the Board of Trustees at Board Meetings. All Trustees are satisfied that the

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appropriate mechanisms are in place for the different functions of the organisation. The Board of Trustees has agreed to continue to monitor Artswork's risk assessment quarterly and review each project on an individual basis annually. Risk Assessment is a standard agenda item at all Board Meetings and the Chief Executive notifies Trustees of any potential issues which could activate changes in risk weighting.

Members of the Board of Trustees

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees as of 31st March 2021 was 10. The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Responsibilities of the Trustees

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Auditors

The auditors, Fiander Tovell Limited, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Signed on behalf of the trustees on 7/122021


.....
Norinne Betjemann (Chair)

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2021

Appendix to the report – Programme Highlights 2020/21

Cultural Education Partnerships

Local Cultural Education Partnerships (CEPs) were launched nationally in 2015 in response to Arts Council England's Cultural Education Challenge. There are currently 15 in the South-East region and all support children and young people's arts and cultural opportunities through cross-sector partnerships and working practices. They work to bring together arts and cultural organisations, maximise the resources that support children and young people, leverage funds that wouldn't otherwise be available for arts and cultural provision, and share knowledge and best practice.

During 2020/21, we:

- Monitored and renegotiated existing development and transition support investment by Artswork with CEPs in Brighton & Hove, Buckinghamshire, East Kent, Hampshire, Isle of Wight, Milton Keynes, Oxford City & North Oxfordshire, Portsmouth, Reading, Southampton, Slough and West Sussex
- Delivered an in-depth programme of online training and professional development sessions for CEP members, including promoting youth voice and increasing diversity and inclusion
- Maintained an online portal to grow CEP communication and mutual support
- We have widely promoted the RSA "Evidence Champions' Handbook" and continued to support our champions network to use their skills to support evidencing impact in CEPs
- Commissioned new resources for Cultural Education Partnerships to support their development, structure and governance and improve their engagement with schools

<https://artswork.org.uk/news/new-set-of-resources-for-cultural-education-partnerships/>

Partnership Investment

Partnership Investment allows us to focus on long-term solutions rather than one-off interventions, changing the lives of children and young people through lasting and meaningful engagement. Through co-investment and collaboration with other organisations, we work to leverage match amounts in work that embeds arts and culture in policy and practice. This accounts for one-quarter of our total Bridge Budget from 2018/22.

In 2020/21 we:

- Worked with our investment partners to safeguard the Better Lives through Culture programmes and renegotiate timeframes for delivery, securing the original level of investment in most cases
- Contracted 6 of these investments representing £707 852 of Artswork investment with a match of £1 058 260 secured from partners
- Continued to monitor delivery of Arun Inspires, Brighton & Hove Future Creators, Milton Keynes Creative Skills, Oxfordshire Next Generation and the Surrey Schools Dance programme

School Engagement

This year saw substantial disruption to schools with many of our engagement programmes and leadership initiatives placed on hold. Our Education Development Managers worked tirelessly to maintain and nurture partnerships and we are grateful for the determination from senior and artform leads across setting for their continued advocacy for creativity across the curriculum and in meeting school improvement priorities. In 2020/21 we:

- Engaged with 349 education settings
- Continued to promote connectingwithculture.com with 237 arts and cultural organisations now signed up, with specific schools offer
- Further developed our Basecamp to enable the sharing of advocacy resources amongst schools
- Hosted an online training event for secondary school teachers exploring the lack of ethnically diverse representation in school drama, theatre and performing arts curriculums as part of a project called Representation in Drama (RinD), supported by the Cultural Learning Alliance, in association with the London Theatre Consortium.
- Worked to ensure our 10 Cultural Education Partnership-led Schools Connect programmes could be rescheduled as schools dealt with multiple closures.

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- Delivered a widely attended series of online CPDL sessions for teachers, exploring topics such as how to use creativity to promote wellbeing and improved mental health as part of a recovery curriculum.

Artsmark

Artsmark continues to be strongly embedded in Artswork's support for Cultural Education Partnerships and our approach to investment programmes. During 2020/21:

- 65 settings registered for Artsmark, of which 32 were re-registrations
- A total of 782 settings were engaged of which 608 were active and 174 were current award holders
- Of the 37 settings awarded during this year, 25 were awarded Silver, 11 Gold and 1 Platinum
- A total 761 settings have engaged with us through Artsmark since 2015
- 36 new organisations registered as Artsmark partners, giving us a total of 179
- We held 2 online Celebration Event taken up by 19 settings
- We ran 4 creative teacher CPD events attended by 46 attendees
- We grew our Basecamp Artsmark forum by 18 settings

Communication, Information and Intelligence

Data and intelligence from the data, informs our work, increases our focus and shapes our future work with children and young people across the southeast. We work hard to share these findings beyond our own organisation to assist others working across creative, cultural, youth and education settings. In 2020/21 we:

- analysed pupil premium, free school meals and indices of deprivation data alongside consultation with senior school leaders to target a programme to support schools in reengaging pupils in areas that have been disproportionately affected by the pandemic
- have a total of 234 resources, toolkits and reports available for free download on the Artswork website, an increase of 8% on the previous year
- sent monthly newsletters to more than 2000 individuals, organisations and schools.
- shared and celebrated with our Twitter following of 6336 and 2450 Instagram and Facebook followers
- connectingwithculture.com which aims to connect schools and settings and with cultural education offers, now features a total of 237 profiles of arts and cultural organisations, a 9% increase on the previous year
- led a fundraising campaign to distribute arts and craft packs to children and young people in challenging circumstances and raised over £6000 in individual donations

Arts Award

Arts Award can be delivered with any arts or cultural activity and in any organisation – including schools, colleges, theatres, galleries, museums, libraries, arts centres, heritage organisations, alternative education provisions, performing groups, youth justice settings, youth clubs or community groups and healthcare services. It validates existing artistic interests and can be a child or young person's first opportunity to think and work creatively. The five levels (Discover, Explore, Bronze, Silver and Gold) support creative progression from early exploration to the development of the professional skills required to be the next generation of artists and art leaders.

Artswork leads an Arts Award Leadership Network of 7 organisations & individuals who provide mentoring to arts and cultural organisations to support them to embed and strengthen their Arts Award offer.

We were unable to deliver Arts Award adviser training courses during 2020/21 but instead launched a new series of well-attended online support sessions including Delivering Arts Award for the first time and Funding your Arts Award project.

Creative Apprenticeship Programme

A key facet of our employability work is the Creative Apprenticeships Programme that has been running for 9 years. 2020/2021 saw the progression of Cohort 7 in their Level 3 Event Assistant programme, with the first achieving a Distinction in their end point assessment and being offered a Learning Programme Lead maternity cover position with their organisation.

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Work-based learning provides an effective solution for young people to enter the creative industries and progress with confidence. In turn, Apprenticeships benefit employers who see the positive impacts of having youth voice in-house bringing fresh perspectives, energy and ideas.

Unique to Artswork's offer is that our investment is in the individual. We are interested in the learning journey that the young person makes from interview to successful completion and beyond. We support holistic development, so Apprentices don't just develop professional skills and the ability to do the job, but the ability to self-reflect, problem solve, communicate and grow their passions and creativity.

With a year of online delivery now complete, we have learnt that this model can provide an effective learning environment when pastoral care and mental health support is embedded. We are deeply grateful to our employers in Hampshire, the Isle of Wight, Portsmouth and Southampton that have continued to provide support and workplace training during a challenging year to ensure Apprentices' have continued to gain new skills and knowledge and take on new responsibilities.

Arun Inspires

This year work has focussed on delivering the revised 2020-22 Business Plan for our arts development programme in West Sussex. The programme has refocused to provide creative engagement opportunities for children and young people most impacted by Covid-19 in Arun.

20/21 saw the delivery of a fundraising surgery with ACE southeast, attended by representatives for 9 local organisations, and 2 networking events for local artists and arts organisations online. Additionally, we opened Creative Return, a grant scheme for new creative projects targeting statutory, voluntary and third sector groups supporting vulnerable children and young people.

With the impact on young peoples' mental health becoming one of the clearest legacies of Covid-19, improving mental health and wellbeing outcomes for children and young people as part of our work in partnership with Active Sussex has increased in priority. We have worked with partners to reschedule existing programmes and are planning for a further round of new commissions for 2021.

The Cultural Regeneration programme in Littlehampton has also progressed with a first edition being planned for summer 2021. This will be jointly funded by Littlehampton Town Council, Arun District Council and Artswork and will see a focus on family engagement activities in the high street and showcase creative work by children and young people.

The Angmering School, STEAM-inspired public sculpture commission ran remote sessions with two Year 9 groups led by commissioned artist Tim Ward, supported by Pallant House and councillors from Angmering Parish Council. Work has continued on the Public Arts Strategy with Arun District Council, which will now incorporate approaches to using Community Infrastructure Levy in the District as well as Section 106 funding.

Artswork is highly appreciative to our many partners and stakeholders for their commitment to raising cultural aspirations in Arun.

<https://artswork.org.uk/programmes/arun-inspires/>

Artswork Professional Development - CPD for the Arts, Culture and Youth sectors

Our professional development courses offer a practical way for arts, culture and education professionals at any level to build their skills and increase their knowledge and understanding of work with young people. Provision has been online during 2020/21 with the team finding new ways to engage participants and structure courses to support effective learning. 938 people were trained in total.

We delivered 61 open courses with the new Online Safeguarding course being the most popular. Our Safeguarding offer was expanded significantly during the year with dedicated courses now provided for Trustees, creating safeguarding assessments and at introductory and higher levels. A new course focusing on mental health and wellbeing in the creative sector was also created and delivered.

16 in-house training courses were delivered for 14 organisations including:

- GEM
- Ipswich County Library

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- Open Up Music
- The Place
- Stopgap Dance Company
- Women and Theatre
- Young Vic

Artswork is indebted to the expertise and energy of its training team and grateful for their work in adapting training to new contexts whilst ensuring a continuing high-quality offer.

Artswork's Professional Development brochure is available for further information:

<https://artswork.org.uk/resources/artsworks-professional-development-brochure/>

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ARTSWORK LIMITED

Opinion

We have audited the financial statements of Artswork Limited for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ARTSWORK LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ARTSWORK LIMITED

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- tested a sample of BACS payments to identify payments being made to unexpected bank accounts.
- performed transactional testing on payroll costs in respect of those employees with responsibility or authority in connection with the payroll function.
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Fiander Tovell

Fiander Tovell Limited

**Chartered Accountants
Statutory Auditor**

13 December 2021
.....

Stag Gates House
63/64 The Avenue
Southampton
Hampshire
SO17 1XS

Fiander Tovell Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ARTSWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	18	3,664	3,682	1,022	-	1,022
Charitable activities	4	119,810	1,720,685	1,840,495	154,539	1,686,897	1,841,436
Investments	5	6,424	-	6,424	10,577	-	10,577
Other income	6	5,095	12,204	17,299	-	-	-
Total income		131,347	1,736,553	1,867,900	166,138	1,686,897	1,853,035
<u>Expenditure on:</u>							
Charitable activities	7	135,384	1,643,453	1,778,837	141,426	1,742,897	1,884,323
Net (expenditure)/income for the year/ Net movement in funds		(4,037)	93,100	89,063	24,712	(56,000)	(31,288)
Fund balances at 1 April 2020		459,218	1,530,643	1,989,861	434,506	1,586,643	2,021,149
Fund balances at 31 March 2021		455,181	1,623,743	2,078,924	459,218	1,530,643	1,989,861

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ARTSWORK LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	11		9,592		17,406
Current assets					
Debtors	12	138,282		45,502	
Cash at bank and in hand		2,151,643		2,027,371	
		<u>2,289,925</u>		<u>2,072,873</u>	
Creditors: amounts falling due within one year	13	(220,593)		(100,418)	
Net current assets			<u>2,069,332</u>		<u>1,972,455</u>
Total assets less current liabilities			<u>2,078,924</u>		<u>1,989,861</u>
Income funds					
Restricted funds	16		1,623,743		1,530,643
<u>Unrestricted funds - general</u>					
Designated funds	17	25,290		62,990	
General unrestricted funds		429,891		396,228	
		<u>455,181</u>		<u>459,218</u>	
			<u>2,078,924</u>		<u>1,989,861</u>

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

The financial statements were approved by the Trustees on 7/12/2021


.....
N Betjemann
Chair

Company Registration No. 2150619

ARTSWORK LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		119,347		(49,922)
Investing activities					
Purchase of tangible fixed assets		(1,499)		(16,810)	
Interest received		6,424		10,577	
Net cash generated from/(used in) investing activities			4,925		(6,233)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			124,272		(56,155)
Cash and cash equivalents at beginning of year			2,027,371		2,083,526
Cash and cash equivalents at end of year			<u>2,151,643</u>		<u>2,027,371</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Artswork Limited is a charitable company limited by guarantee incorporated in England and Wales. The registered office is First Floor, Latimer House, 5-7 Cumberland Place, Southampton, Hampshire, SO15 2BH.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum of Association, 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 charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company 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.

The Trustees have considered the impact of the global Covid-19 pandemic on the ability of the charitable company to continue trading for the foreseeable future. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised in full in the Statement of Financial Activity in the year in which they are receivable. Grants related to specific performance outputs or service level agreements are classified as incoming resources for charitable activities and are recognised when the charitable company has earned entitlement.

1.5 Resources expended

Liabilities are recognised in the period to which they relate. The value of any liability includes irrecoverable VAT where applicable.

Resources expended are allocated directly to the relevant activity, project or fund as far as possible and in accordance with the agreed funding terms.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% reducing balance
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 payments 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.10 Provisions

Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision measured at present value the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period it arises.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Government Grants

Government grants relate to furlough claims and are recognised in the SOFA in the same period as the costs to which they relate.

2 Critical accounting estimates and judgements

In the application of the charitable company'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 ongoing 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.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £
Donations and gifts	18	3,664	3,682	1,022

4 Charitable activities

	2021 £	2020 £
Services provided under contract	119,810	154,539
Performance related grants	1,720,685	1,686,897
	<u>1,840,495</u>	<u>1,841,436</u>
Analysis by fund		
Unrestricted funds - general	119,810	154,539
Restricted funds	1,720,685	1,686,897
	<u>1,840,495</u>	<u>1,841,436</u>
Performance related grants		
ACE - Bridge project	1,641,354	1,613,397
Other (see full breakdown in note 16)	79,331	73,500
	<u>1,720,685</u>	<u>1,686,897</u>

5 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	6,424	10,577

Investment income was unrestricted in both the current and comparative periods.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Other income

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Other income	5,095	12,204	17,299	-

7 Charitable activities

	2021 £	2020 £
Staff costs	930,167	867,519
Depreciation and impairment	9,313	7,428
Programme delivery	829,282	994,238
	<u>1,768,762</u>	<u>1,869,185</u>
Share of governance costs (see note 8)	10,075	15,138
	<u>1,778,837</u>	<u>1,884,323</u>
Analysis by fund		
Unrestricted funds - general	135,384	141,426
Restricted funds	1,643,453	1,742,897
	<u>1,778,837</u>	<u>1,884,323</u>

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	7,090	7,090	-	7,338	7,338
Accountancy	-	1,080	1,080	-	4,800	4,800
Legal and professional	-	1,905	1,905	-	3,000	3,000
	<u>-</u>	<u>10,075</u>	<u>10,075</u>	<u>-</u>	<u>15,138</u>	<u>15,138</u>
Analysed between Charitable activities	-	10,075	10,075	-	15,138	15,138

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 4 of them were reimbursed a total of £453 travelling expenses (2020 - 5 were reimbursed £651).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Full time	16	16
Part time	14	13
	<u>30</u>	<u>29</u>

Employment costs

	2021 £	2020 £
Wages and salaries	839,352	782,202
Social security costs	75,208	70,794
Other pension costs	15,607	14,523
	<u>930,167</u>	<u>867,519</u>

The number of employees on a full time equivalent basis was 27 (2020: 26).

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 to £69,999	<u>-</u>	<u>1</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2020	1,516	63,598	65,114
Additions	-	1,499	1,499
At 31 March 2021	<u>1,516</u>	<u>65,097</u>	<u>66,613</u>
Depreciation and impairment			
At 1 April 2020	1,499	46,209	47,708
Depreciation charged in the year	4	9,309	9,313
At 31 March 2021	<u>1,503</u>	<u>55,518</u>	<u>57,021</u>
Carrying amount			
At 31 March 2021	<u>13</u>	<u>9,579</u>	<u>9,592</u>
At 31 March 2020	<u>17</u>	<u>17,389</u>	<u>17,406</u>

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	2,103	12,017
Other debtors	5,251	6,131
Prepayments and accrued income	130,928	27,354
	<u>138,282</u>	<u>45,502</u>

13 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		18,224	17,563
Deferred income	14	5,452	6,800
Trade creditors		184,236	57,780
Accruals and deferred income		12,681	18,275
		<u>220,593</u>	<u>100,418</u>

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Deferred income

	2021 £	2020 £
Other deferred income	5,452	6,800

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Current liabilities	5,452	6,800
	<u>5,452</u>	<u>6,800</u>

Deferred income relates to course booking fees received in advance. The entirety of the balance at 31 March 2020 had been released to the SOFA in the year ended 31 March 2021.

15 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes is shown in note 9. £4,014 (2020 - £3,660) of these contributions are unpaid as at the balance sheet date.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 31 March 2021 £
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	
ACE - Bridge including Artsmark and DFE	1,356,187	1,641,354	(1,554,989)	1,442,552
Creative Apprentice	9,760	19,143	(17,013)	11,890
Creativity Plus	(7,494)	7,494	-	-
Portsmouth Skills	27,867	12,204	(15,175)	24,896
Arun	144,323	30,000	(31,500)	142,823
Let's Create	-	26,358	(24,776)	1,582
	<u>1,530,643</u>	<u>1,736,553</u>	<u>(1,643,453)</u>	<u>1,623,743</u>

A. Arts Council England - Bridge including Artsmark and DFE funding

In April 2011, Arts Council England (ACE) announced a new national network of 'Bridge' organisations, to ensure all children and young people experience the richness of the arts both in and outside of school. Artswork was selected as one of the 10 Bridge organisations across England - initially from 2012 to 2015 - to work strategically to develop and deliver increased access to arts and culture, and better connect arts and cultural organisations with children and young people, families and schools. ACE committed some £4.5m over this period to Artswork to deliver this role.

The funding comes from £10 million a year of Lottery money which ACE has allocated to support their network of bridge organisations. In 2014, ACE confirmed a further tranche of 3-year Bridge funding to enable Artswork to deliver a second phase from 2015 to 2018. ACE have recently confirmed a further tranche of funding to allow Artswork to continue to deliver Bridge until 2022.

b) Creative Apprenticeship Programme

Working in partnership with Eastleigh College and with cultural employers in Hampshire, Portsmouth, Southampton and the Isle of Wight, Artswork continues to deliver a Creative Apprenticeship programme. This was designed to create new entry level routes into the creative and cultural sector, to diversify the workforce, and to provide work based learning opportunities for young people to equip them with practical skills and knowledge needed to develop a career in the arts and cultural sectors.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Restricted funds

(Continued)

c) Creativity Plus

Artswork successfully supported Hampshire Chamber of Commerce to submit a bid to the Arts Council's Grants for the Arts programme. This has resulted in a 2-year partnership contract now extended between the Chamber and Artswork which will a) Aim to build a wider and more diverse pool of Creative and Cultural employers interested in supporting young people in the workplace; b) Support the piloting of a new Artistic Creative Enterprise Programme for young people participating in work based learning programmes including apprenticeships and c) Enable Artswork to undertake some organisation development at a time of rapid governmental change in the delivery of apprenticeships. Creativity Plus is about growing and securing the future of an innovative programme of creative work-based learning in the Southampton area and beyond. At its heart is the Creative Case for Diversity, and ensuring equality of access to entry-level jobs in the creative and cultural industries.

d) Portsmouth Creative Skills Programme

Building on the success of the Creative Skills Initiative (a national programme for 16-21 year olds), we have begun delivery of the second year of a three-year Portsmouth Creative Skills Programme, which we are undertaking with Portsmouth City Council's Virtual School and Leaving Care Service. This is funded through The Blgrave Trust, and forms part of the work of Portsmouth's Cultural Education Partnership, with associated Partnership Investment. Year 2 will see additional funds from BBC Children in Need.

e) Arun

In March 2018, following a successful submission by Artswork, the Board of Culture, Art and Sport (Arun) Limited, a former provider to Arun District Council, gifted £250,000 to Artswork to support arts development and growth in Arun. Enhanced by Partnership investment (£100,000) agreed by Artswork Trustees and Arts Council England, Artswork is:

- a) Supporting our delivery partner, Chichester Festival Theatre, on a programme that includes:
 - Antbullying project (Advocacy in Schools)
 - Schools' Fest (a celebration of young people and the arts)
 - Inclusion and Diversity working with vulnerable young people in Littlehampton and Bognor
- b) Developing a business plan against three identified priorities:
 - Raising Aspirations:
 - Improving mental health and wellbeing outcomes for CYP through arts and culture.
 - Embedding the work in economic regeneration and increased pride of place in Arun

f) Let's Create

Artswork participated in a national initiative delivered by Bridge organisations to create and deliver packs of arts and crafts materials to children and young people in need or facing disadvantage in the south east. Initially funded by Arts Council England and the Crafts Council, with further funds from The Art Fund, the programme was delivered to coincide with the 2020 spring, summer and autumn school holidays. A further Christmas initiative was made possible through donations raised through Artswork's individual giving campaign. Packs were distributed to children via arts organisations, education settings including SEND schools, food banks, libraries and youth organisations.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Investing in the future	14,426	34,299	(48,636)	28,387	28,476	38,317	(52,040)	14,753
Catalyst Evolve	31,097	-	(7,120)	-	23,977	-	(23,977)	-
International Development	525	-	(988)	1,000	537	-	-	537
30th Birthday Celebrations	10,000	-	-	-	10,000	-	-	10,000
	<u>56,048</u>	<u>34,299</u>	<u>(56,744)</u>	<u>29,387</u>	<u>62,990</u>	<u>38,317</u>	<u>(76,017)</u>	<u>25,290</u>

a) Investing in the Future Fund

A fund originally designated in 2015 to support the development work of Learning and Skills (wider programmes)

b) Catalyst: Evolve

In 2016, Artsworld was successful in its application to Arts Council England's Catalyst: Evolve fund. This Fund aims to help organisations develop successful and sustainable fundraising models by investing in their capacity. A proportion of money raised will be matched by the fund over a period of three years. Catalyst: Evolve funding will enable Artsworld to build resilience in its wider programmes of work, support the enhancement of fundraising skills and strengths across the organisation, and help secure new sources of funding to develop direct work with, for and by children and young people.

c) International Development

This was a fund designated to support Artsworld in the development of international partnerships. Artsworld's CEO travelled to Chile in August 2017 to deliver a presentation at an international symposium run by Balmaceda Arte Joven – a Chilean youth arts organisation. The CEO was supported by Arts Council England (International Artists Development Fund) and by the Anglo-Chilean Society with only a small amount drawn down from Artsworld's designated fund.

d) Rent Provision

A provision of £10,000 was agreed by trustees to allocate toward rent from the Wider Programmes budget.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	9,592	-	9,592	17,406	-	17,406
Current assets/ (liabilities)	2,069,332	-	2,069,332	441,812	1,530,643	1,972,455
	<u>2,078,924</u>	<u>-</u>	<u>2,078,924</u>	<u>459,218</u>	<u>1,530,643</u>	<u>1,989,861</u>

In 2019, net assets were allocated between the funds with £1,586,643 of current assets held for restricted funds. The balance of current assets (£426,483) and fixed assets (£8,023) were held for unrestricted funds.

19 Financial commitments, guarantees and contingent liabilities

The charitable company is committed to pay £856,052 (2020- £1,199,929) in relation to funding agreements agreed with providers for programme delivery where payment conditions have not yet been met.

20 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	63,846	61,148
Between two and five years	63,846	-
	<u>127,692</u>	<u>61,148</u>

During the period, the charitable company recognised £65,336 (2020 - £65,336) of lease costs in respect of leases detailed in this note.

ARTSWORK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2021 £	2020 £
Aggregate compensation	338,114	358,716

None of the key management personnel are trustees or directors.

22 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	89,063	(31,288)
Adjustments for:		
Investment income recognised in statement of financial activities	(6,424)	(10,577)
Depreciation and impairment of tangible fixed assets	9,313	7,428
Movements in working capital:		
(Increase) in debtors	(92,780)	(22,286)
Increase in creditors	121,523	9,237
(Decrease) in deferred income	(1,348)	(2,436)
Cash generated from/(absorbed by) operations	119,347	(49,922)

23 Analysis of changes in net funds

The charitable company had no debt during the year.