

**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 <sup>st</sup> 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	<a href="mailto:info@artswork.org.uk">info@artswork.org.uk</a> <a href="http://www.artswork.org.uk">www.artswork.org.uk</a>

# ARTSWORK LIMITED

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# ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2021

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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

## ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2021

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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**

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## **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 31<sup>st</sup> 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 7/12 .....2021

  
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Norinne Betjemann (Chair)

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## 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](https://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](http://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

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### 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

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### **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

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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 £
	<b>Notes</b>						
<b><u>Income and endowments from:</u></b>							
Donations and legacies	<b>3</b>	18	3,664	3,682	1,022	-	1,022
Charitable activities	<b>4</b>	119,810	1,720,685	1,840,495	154,539	1,686,897	1,841,436
Investments	<b>5</b>	6,424	-	6,424	10,577	-	10,577
Other income	<b>6</b>	5,095	12,204	17,299	-	-	-
<b>Total income</b>		<b>131,347</b>	<b>1,736,553</b>	<b>1,867,900</b>	<b>166,138</b>	<b>1,686,897</b>	<b>1,853,035</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	<b>7</b>	135,384	1,643,453	1,778,837	141,426	1,742,897	1,884,323
<b>Net (expenditure)/income for the year/</b>							
<b>Net movement in funds</b>		<b>(4,037)</b>	<b>93,100</b>	<b>89,063</b>	<b>24,712</b>	<b>(56,000)</b>	<b>(31,288)</b>
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							
		<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>

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	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		9,592		17,406
<b>Current assets</b>					
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>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(220,593)</u>		<u>(100,418)</u>	
Net current assets			2,069,332		1,972,455
<b>Total assets less current liabilities</b>			<u>2,078,924</u>		<u>1,989,861</u>
<b>Income funds</b>					
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

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	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	22		119,347		(49,922)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,499)		(16,810)	
Interest received		6,424		10,577	
<b>Net cash generated from/(used in) investing activities</b>			4,925		(6,233)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			124,272		(56,155)
Cash and cash equivalents at beginning of year			2,027,371		2,083,526
<b>Cash and cash equivalents at end of year</b>			<u>2,151,643</u>		<u>2,027,371</u>

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# ARTSWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 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

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### 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

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### 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

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### 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>
<b>Performance related grants</b>		
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>
<b>Analysis by fund</b>		
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 £
<b>Cost</b>			
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>
<b>Depreciation and impairment</b>			
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>
<b>Carrying amount</b>			
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 £
<b>Amounts falling due within one year:</b>		
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, 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 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)
<b>Cash generated from/(absorbed by) operations</b>	<b>119,347</b>	<b>(49,922)</b>

### 23 Analysis of changes in net funds

The charitable company had no debt during the year.