

**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**

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**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 <sup>st</sup> 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	<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 2022**

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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**

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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**

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### **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**

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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 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**

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### **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**

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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 CO<sub>2</sub>e 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 CO<sub>2</sub>e 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**

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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.

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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 31<sup>st</sup> 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**

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### **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)**

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

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### **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](http://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

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### **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](https://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/>

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### **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**

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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

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### 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

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### **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

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### 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**

		<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>
	<b>Notes</b>						
<b><u>Income and endowments from:</u></b>							
Donations and legacies	<b>3</b>	1,370	993	2,363	18	3,664	3,682
Charitable activities	<b>4</b>	137,070	2,206,745	2,343,815	119,810	1,720,685	1,840,495
Investments	<b>5</b>	4,924	-	4,924	6,424	-	6,424
Other income	<b>6</b>	-	2,477	2,477	5,095	12,204	17,299
<b>Total income</b>		<b>143,364</b>	<b>2,210,215</b>	<b>2,353,579</b>	<b>131,347</b>	<b>1,736,553</b>	<b>1,867,900</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	<b>7</b>	111,113	2,416,303	2,527,416	135,384	1,643,453	1,778,837
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		<b>32,251</b>	<b>(206,088)</b>	<b>(173,837)</b>	<b>(4,037)</b>	<b>93,100</b>	<b>89,063</b>
Fund balances at 1 April 2021		455,181	1,623,743	2,078,924	459,218	1,530,643	1,989,861
<b>Fund balances at 31 March 2022</b>		<b>487,432</b>	<b>1,417,655</b>	<b>1,905,087</b>	<b>455,181</b>	<b>1,623,743</b>	<b>2,078,924</b>

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	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		22,390		9,592
<b>Current assets</b>					
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>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(171,884)</u>		<u>(220,593)</u>	
Net current assets			1,882,697		2,069,332
<b>Total assets less current liabilities</b>			<u>1,905,087</u>		<u>2,078,924</u>
<b>Income funds</b>					
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 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	22		(171,485)		119,347
<b>Investing activities</b>					
Purchase of tangible fixed assets		(23,501)		(1,499)	
Interest received		4,924		6,424	
<b>Net cash (used in)/generated from investing activities</b>					
			(18,577)		4,925
<b>Net cash used in financing activities</b>					
			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>					
			(190,062)		124,272
Cash and cash equivalents at beginning of year			2,151,643		2,027,371
<b>Cash and cash equivalents at end of year</b>			<u>1,961,581</u>		<u>2,151,643</u>

# ARTSWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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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 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

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### 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

	<b>Unrestricted funds general 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	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>
<b>Performance related grants</b>		
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>
<b>Analysis by fund</b>		
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
	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
	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 £
<b>Cost</b>			
At 1 April 2021	1,516	65,097	66,613
Additions	-	23,501	23,501
	1,516	88,598	90,114
<b>Depreciation and impairment</b>			
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
<b>Carrying amount</b>			
At 31 March 2022	11	22,379	22,390
	11	22,379	22,390
At 31 March 2021	13	9,579	9,592
	13	9,579	9,592

# ARTSWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 12 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
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

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### 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)
<b>Cash (absorbed by)/generated from operations</b>	<b>(171,485)</b>	<b>119,346</b>

### 23 Analysis of changes in net funds

The charitable company had no debt during the year.