

Charity Registration No. 800143

Company Registration No. 02150619 (England and Wales)

ARTSWORK LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

ARTSWORK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

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

ARTSWORK LIMITED

CONTENTS

	Page
Trustees report	1 - 13
Independent auditor's report	14 - 17
Statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 - 34

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

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

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

Introduction

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

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

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

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

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

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

Chair's Statement 2023/24

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

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

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

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

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

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

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

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

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

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

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

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

Norinne Betjemann
Chair

Artswork Trustees 2023/24

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

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

Artswork Leadership Team 2023/24

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

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

Artswork's Aims, Objectives and Activities

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

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

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

We achieve our mission through:

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

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

Public benefit aims

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

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

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

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

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

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

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

The Year in Numbers

During 2023/24, Artswork:

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

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

Financial Review 2023/24

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

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

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

Principal funding sources and activities 2023/24

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

Funds raised included:

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

Reserves Policy

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

Going Concern

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

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

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

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

Environmental Responsibility

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

Artswork's ambition is to:

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

See Artswork's website for more information.

During 2023/24, Artswork:

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

Plans for 2024/25 onwards

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

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

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

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

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

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

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

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

Louise Govier, Chief Executive, Artswork

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

Structure, Governance and Management

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

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

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

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

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

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

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

Funds held as Custodian Trustee on Behalf of Others

None.

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

Risk Review

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

Members of the Board of Trustees

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

Responsibilities of the Trustees

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

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

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

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

Disclosure of information to auditor

In so far as the trustees are aware:

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

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

Auditors

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

Norinne Betjemann

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

Appendix to the report – Programme Highlights 2023/24

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

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

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

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

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

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

ARTSWORK LIMITED TRUSTEES REPORT FOR YEAR ENDED 31 MARCH 2024

involved in anti-social behaviour and violence:

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

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

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

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

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

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

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

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

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

ARTSWORK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTSWORK LIMITED

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

ARTSWORK LIMITED

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

ARTSWORK LIMITED

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

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

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

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

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

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

Audit response to risks identified

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

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

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

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

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

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

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

Use of our report

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

ARTSWORK LIMITED

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

Adam Buse

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

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

**Chartered Accountants
Statutory Auditor**

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

ARTSWORK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

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

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

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

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

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

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

Company registration number 02150619 (England and Wales)

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

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

ARTSWORK LIMITED

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

1 Accounting policies

Charity information

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

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

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

1.3 Charitable funds

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

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

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

1.4 Income

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

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

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

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

ARTSWORK LIMITED

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

1 Accounting policies (Continued)

1.5 Expenditure

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

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

1.6 Tangible fixed assets

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

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

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

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ARTSWORK LIMITED

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

1 Accounting policies

(Continued)

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

1.12 Leases

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

ARTSWORK LIMITED

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

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

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

3 Income from donations and legacies

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

4 Income from charitable activities

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

ARTSWORK LIMITED

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

4 Income from charitable activities (Continued)

Performance related grants analysis

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

5 Income from investments

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

ARTSWORK LIMITED

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

6 Expenditure on charitable activities

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

7 Net movement in funds

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

8 Support costs

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

ARTSWORK LIMITED

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

9 Trustees

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

10 Employees

The average monthly number of employees during the year was:

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

Employment costs

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

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

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

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

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

None of the key management personnel are trustees or directors.

ARTSWORK LIMITED

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

11 Other

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

12 Taxation

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

13 Tangible fixed assets

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

14 Debtors

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

ARTSWORK LIMITED

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

15 Creditors: amounts falling due within one year

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

16 Deferred income

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

Deferred income is included in the financial statements as follows:

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

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

17 Retirement benefit schemes

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

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

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

ARTSWORK LIMITED

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

18 Restricted funds

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

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

ARTSWORK LIMITED

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

18 Restricted funds

(Continued)

a) Bridge

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

b) Naval Childrens Charity

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

c) Portsmouth Creative Skills Programme

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

d) Arun

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

e) Let's Create

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

f) Breakthrough

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

g) NPO 23-26

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

h) HAF

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

ARTSWORK LIMITED

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

18 Restricted funds

(Continued)

i) Youth Endowment Fund

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

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

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

j) Kickstart

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

k) Jubilees Fund

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

l) Apprenticeships

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

m) Schools Violence Reduction

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

n) Artsmark

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

o) Equitable Routes

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

p) Sylvia Fund

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

ARTSWORK LIMITED

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

19 Designated funds

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

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

a) International Development

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

b) Rent Provision

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

20 Analysis of net assets between funds

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

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

ARTSWORK LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024****21 Financial commitments, guarantees and contingent liabilities**

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

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

23 Analysis of changes in net funds

The charitable company had no material debt during the year.