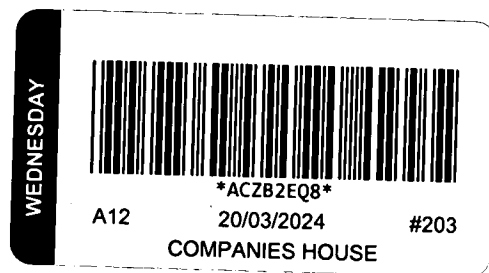


REGISTERED COMPANY NUMBER: 07655709 (England and Wales)
REGISTERED CHARITY NUMBER: 1152377

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 30 June 2023
for
The Arts Emergency Service



Swindells LLP
Chartered Accountants
Atlantic House
8 Bell Lane
Bellbrook Industrial Estate
Uckfield
East Sussex
TN22 1QL

The Arts Emergency Service

Contents of the Financial Statements for the Year Ended 30 June 2023

	Page
Report of the Trustees	1 to 11
Independent Examiner's Report	12 to 13
Statement of Financial Activities	14
Balance Sheet	15 to 16
Cash Flow Statement	17
Notes to the Cash Flow Statement	18
Notes to the Financial Statements	19 to 27
Detailed Statement of Financial Activities	28 to 29

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects are to promote the arts and higher education and to encourage, maintain and develop public education and appreciation of the arts and higher education, to remove barriers to young people who wish to study an arts degree and to promote, improve, develop and maintain the appreciation of the arts.

Public benefit

In planning the charity's activities for the year, the trustees complied with the requirements of s17 of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission.

STRATEGIC REPORT

Achievement and performance

Main achievements summary

Helping young people aged 16 to 25 years from underrepresented backgrounds to access information, advice, and guidance regarding the arts and humanities in higher education and routes into careers in the cultural and creative industries through a young person-led, goal-focused mentoring and networking programme.

Summary of the main activities of the charity during the year

In 2022/23, Arts Emergency's activities were organised into three main strands: Mentoring, Young Community, and Youth Collective. Across these three programme strands, we worked with 1,315 young people aged 16-25 years (2021/22: 998), mainly in London, Brighton, Greater Manchester, and Merseyside, as well as more widely across the country. Programme delivery across these three strands was supported by a Network of 9,153 experienced professionals from across the creative and cultural sectors (2021/22: 8,261), 1,934 of whom were actively engaged with Arts Emergency's programmes (2021/22: 1,610).

Our full impact report can be found at: <https://www.arts-emergency.org/about-us/reports>

Mentoring

Through our one-year mentoring programme, a young person aged 16-18 is paired up with a trained mentor, based on their interests and goals, from our Network of volunteers who are experienced professionals from across the creative and cultural sectors. Mentoring pairs are introduced and continue to meet one hour a month throughout the year, for mentors to provide support as young people take their first steps out of compulsory education and make decisions about their future in higher education, vocational training, and early careers.

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRATEGIC REPORT

Achievement and performance

Mentoring (continued)

In 2022/23, we wrapped up our 2022 mentoring cohort, which began in January 2022 with 378 mentoring pairs across London, Brighton, Greater Manchester, and Merseyside (2021 cohort: 352 pairs). Within this cohort, 56% did not have a university-educated parent; 35% had a household income below £25,000; 45% were from a Black, Asian, or minority ethnic background, 42% have been eligible for free school meals or the 16-19 bursary; 15% had a learning difficulty or special educational need; and 14% had a disability. 337 pairs completed the programme, for a completion rate of 89% (2021 cohort: 83%).

Our evaluation shows that the mentoring programme made a significant impact on our aims to widen knowledge of routes into the creative and cultural industries, gain understanding and experiences of those industries, and gain confidence in taking those next steps. Following their participation in the programme, 96% of young people reported that they had learned new things that helped them feel more prepared for the future, 93% said that they understood more about the world of work, 86% said that they had gained information about the career choices available to them, 86% said that they had a better understanding of what their next step could be, and 79% felt that a career in the creative and cultural industries was more attainable to them.

"I think it's made me feel more knowledgeable about the industry, and that I know more about it, and I can speak confidently about what in the industry I want to be able to do, and what I can do now. I have applied to university and have received five offers, including my first choice, which is a TV and Radio Production degree at Salford University." - 2022 mentee

In preparation for our 2023 programme, we recruited a new cohort of mentors and mentees. 617 experienced professionals registered their interest in volunteering as a mentor (2022 cohort: 940), and we delivered training for over 230 volunteers who were new to the programme (2022 cohort: 526), covering topics such as what mentoring is, safeguarding, and tips for supporting and working with young people. We also worked with 33 schools and partner organisations to recruit young people who could benefit from mentoring. 378 young people applied for the programme (2022 cohort: 631), with 83% coming from our referral partners. Our 2023 programme was significantly smaller than 2022 by design, pulling back on our pandemic offerings of remote mentoring for over 18s, and refocusing on our core regional mentoring programmes for 16-18 year olds.

In January 2023, we introduced a new cohort of 225 mentoring pairs across London, Brighton, Greater Manchester, and Merseyside. Within this cohort, 62% of mentees are from a deprived area; 60% are from a Black, Asian, or minority ethnic background; 54% do not have a university-educated parent; 51% have been eligible for free school meals or the 16-19 bursary; 19% have a learning difficulty or special educational need; and 10% have a disability. Importantly, 83% of mentees meet more than one of these criteria.

Mentoring pairs will continue to meet for one hour a month throughout the year to gain inside knowledge about the industry, set goals, and get advice into the sector. By the end of June 2023, 98% of young people rated their sessions positively, and 62% said they had already achieved some of their initial goals.

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRATEGIC REPORT

Achievement and performance

Young Community

Following on from their mentoring experience, young people are encouraged to join our Young Community, where they can continue to receive support from Arts Emergency until their 26th birthday. In 2022/23, the Young Community grew to 937 young people (2021/22: 646). Young Community members benefitted from a wide-ranging offer, including careers clinics, training and networking connections (Wish List), resources to support their professional development (Ask Arts Emergency), tickets to cultural events (Ruby Tickets), and work experience opportunities. They also received a monthly newsletter with news and opportunities and access to a Discord server where they could communicate with each other.

In 2022/23, the Community team shared 299 creative and cultural opportunities via the monthly newsletter (2021/22: 223). We fulfilled 147 requests for training and networking connections (Wish List) and learning resources to support young people's professional development (Ask Arts Emergency). In all, we facilitated 95 new professional connections for our young members (2021/22: 70). 91% of those connected via the Wish List felt the experience helped them further their career or educational interests. We also continued our Ruby Tickets offer to help young people access cultural experiences that they would not otherwise be able to afford, providing 54 free tickets through the scheme.

"It's honestly been great, really helpful to understand the industry and how it works and how I can work within it. It has been very helpful to have this network of Community who are in the creative industry to give advice on how I can further my experience and expertise." - Young Community member

We also continued our summer work experience programme, offering 5-10 day placements with creative businesses and cultural organisations across the country. Placements took place in person, online, or hybrid. In 2022/23, we organised 38 placements at organisations across the country (2021/22: 40), including creative studio Margaret London, production company NKD Films, and independent record label Partisan Records. 94% of young people felt that their work experience placement would help them in the future (2021/22: 100%), and 87% of young people reported that they made new professional contacts (2021/22: 73%).

Youth Collective

The Youth Collective was established in 2020 to ensure that young people's voices are amplified through Arts Emergency's activities and to create space for young people to develop their own advocacy, activism, and community work. In 2022/23, we expanded the Youth Collective to include 10 young people from across the country, broadening it out from the initial pilot programme based in London.

In September 2022, the cohort worked with the Royal College of Art and Arts Emergency CEO Neil Griffiths to create a manifesto for the Youth Collective. Over the course of the year, the cohort worked together to plan and deliver a campaign of their own design. This took the form of a day festival in Manchester to celebrate Arts Emergency's 10th birthday, which had 104 young people booked to attend, and featured creative workshops, networking, film screenings, a keynote panel, a musical showcase, and more.

Additionally, two members of the Youth Collective joined the board as Young Trustees to ensure that young people's voices are represented at the governance level.

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRATEGIC REPORT

Financial review

Financial position

At 30 June 2023 the charitable company held free reserves of £398,605 (2022 - £369,505) and restricted reserves of £54,547 (2022 - £25,482). Net income for the year was a £58,165.

Reserves policy

Reserves policy

Arts Emergency's policy with regard to reserves is to ensure that the charity, and the services we offer to our beneficiaries, are reasonably secure in the event of significant reduction in income, allowing:

- Time to re-establish income streams**
- Time to manage reduction in service levels or restructure should this become necessary.**

The trustees recognise the need to hold sufficient free reserves to ensure protection of core activities in the event of unforeseen circumstances including any unplanned reduction in funding or an unforeseen need for funds to deliver additional charitable activity.

In light of uncertainty surrounding the Covid-19 pandemic, the trustees had increased the target level of free reserves from 6 months to 8 months. The trustees reviewed this target in September 2022 and agreed to reduce the target back down to 6 months.

As at 30th June 2023 the organisation held free reserves equivalent to 7.9 months of running costs based on 22/23 costs. However, with increasing costs related to the current cost of living crisis and with an ambitious 3 year plan in place for the next three financial years, we know that our running costs will increase for financial year 23/24.

Designated funds

Arts Emergency had reserves designated to support technological development of systems to support the organisation. These funds were used in the last financial year to make essential upgrades to our database system and also support the strengthening of our governance and leadership through recruitment of a new chair of trustees and professional development for our Senior Leadership Team (SLT).

The Arts Emergency Trustees made the decision not to redesignate reserves in the financial year 2022 - 2023.

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRATEGIC REPORT

Principal risks and uncertainties

The trustees continually review:

- o the high and significant risks to which the charity is exposed;**
- o the potential impact and probability associated with each risk;**
- o existing internal controls and accountability for them; and**
- o mitigating actions to reduce each risk to a level that the Board considers to be acceptable.**

The relevant findings are set out below:

Economic pressures related to current financial climate

- o The fundraising team was expanded to further diversify and increase revenue, with plans to increase capacity further in this area in the next financial year**
- o Targeted appeals relating to current issues facing our beneficiaries will continue to run**
- o Annual budgeting and ongoing monitoring of financial performance**
- o Planned introduction of a finance system to better monitor financial performance**
- o The preparation of financial forecasts aligned to the Arts Emergency strategy to target a diversification of income streams and incorporate an ongoing consideration of market and consumer trends**

Incidents that damage reputation and/or negatively impact operations (including cyber security, serious fraud, major health and safety incidents, safeguarding and internal process failures)

- o Safeguarding team in place, including a safeguarding trustee**
- o Safeguarding training programme delivered to all staff and volunteers**
- o Safeguarding lead trustee on the board**
- o Finance team expanded to include a Finance Officer**
- o Finance manual updated and team training carried out**
- o Senior roles created and appointed with responsibility for data and systems: Head of Systems and Chief Operating Officer**
- o Data review to be undertaken in 23/24**

Changes in Government regulatory requirements and/or Charity Sector guidance (e.g., GDPR, Fundraising Code) negatively impact on Arts Emergency's strategy and activities

- o The team monitors public policy and the regulatory environment on an ongoing basis to ensure potential risks can be proactively managed. This includes a particular focus on developments in fundraising regulation and the requirements of the General Data Protection Regulation (GDPR).**
- o Representation at key events and forums to help shape the research agenda.**
- o Strategic priorities and programme initiatives which target a diversification of income streams**

Arts Emergency's strategy and activities are not properly or sufficiently focused in order for the charity to meet its objectives

- o Charity has a clear vision and a strategy setting out how we play a leading role in achieving significant improvements in access to careers in the arts and humanities**

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRATEGIC REPORT

- o We carried out a full strategic review in 21/22 to ensure that our mission is clear, the Leadership team worked with colleagues and trustees to develop a three year business plan taking us to 2026

Attracting, developing and retaining talented staff in a competitive employment market combined with the reliance on significant levels of volunteer support both in fundraising and mentoring

- o Regular benchmarking of compensation and benefits across the sector
- o Ongoing proactive volunteer and employee recruitment programmes
- o Programme of staff engagement and wellbeing
- o Active communication and training programme in place for volunteer mentors
- o Programme of annual appraisals, development opportunities and individual training budgets provided
- o Staff wellbeing programmes in place including Employee Assistance Programme

Delivering effective change management through major process improvement programmes in support of the charity's strategy

- o Finance and resources committee is in place to review any proposed changes to staff structure, including new roles in order to make recommendations to the wider board
- o All new programmes are reviewed to ensure alignment with mission and strategy and that appropriate governance and resourcing in place

Financial security and threats of fraud or misuse of company expenses

- o Limits set on expenditure via all channels (expenses cards, bank account)
- o Authorisation process in place for all outgoing payments (including incoming invoices and expense claims)
- o Authorisation process in place for any payments made over £500
- o Trustee authorisation for any payments over £10,000
- o Processes in place to check all new payees or payees who request payment to new a new bank account
- o Bank account reviewed regularly and management accounts reviewed monthly to ensure any unexpected expenditure is picked up immediately

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRATEGIC REPORT

Future plans

Arts Emergency has grown remarkably over the past ten years. During this period of rapid growth, the organisation has largely been focused on the quick wins required to establish its programmes, impact, and ways of working. The organisation has now reached a level of maturity that allows and demands it to take a longer-term approach to business planning. In Spring 2023, we set out on an exercise to develop a three-year business plan to guide the organisation's activities from July 2023 to June 2026.

In Year 1 of the business plan (July 2023 to June 2024), we will continue to deliver Mentoring programmes in existing regions and run a baseline Community programme and Youth Collective while we invest in research and development to develop a long-term programmes strategy and ensure the long-term sustainability of our offer. We will ensure young people's interests and needs are at the heart of this strategy by consulting with young people as well as creating meaningful opportunities for them to contribute to design and decision-making processes. Internally, we will prioritise environmental sustainability, staff experience, and our operational systems to ensure that Arts Emergency can thrive as we move into our next phase of growth.

Following this period of scoping and planning, we will implement these plans over Year 2 (July 2024 to June 2025) and Year 3 (July 2025 to June 2026) of the business plan. While we expect that our programme will evolve and grow, we will remain committed to providing timely, person-centred, and impactful support for young people, supported by a large, diverse, and highly engaged Network that we can mobilise to support programme delivery and spread inclusive practice in their own spheres. We will also continue to invest internally so that this work is underpinned by a healthy, vibrant, and sustainable organisational culture.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Arts Emergency Service is a registered charity (Registered Charity number 1152377) and a company limited by guarantee as defined by the Companies Act 2006, number 07655709, governed by its Memorandum and Articles of Association and incorporated on 2 June 2011.

The company was granted charitable status on 11 June 2013.

Organisational structure

The charitable company is administered by the Trustees comprising of the individuals who are the Trustees of the charity at any given time, including the first Trustees and their successors. In selecting individuals for appointment as Trustees, the Trustees have regard to the skills, knowledge and experience required for the effective administration of the charitable company.

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

In 2021 we undertook a governance review which clearly lays out designated the decision-making process for the charity.

The Board of Trustees has overarching responsibility for the approval and monitoring of the organisation's strategic plan. This includes:

- Overall approval of annual budgets and annual accounts**
- Approval of charity's approach to risk and monitoring of risk register**
- Development and implementation of board development plan**
- Approving the Fundraising Policy and ensuring fundraising activity falls in line with this**

The board has two subcommittees to support with key strategic and operational decisions. The Finance and Resources sub-committee oversees in detail the financial plans and performance of the charity and reviews the charity's risk management processes. The Appointments sub-committee leads the process for appointments and election to the Board of Trustees.

The charity is led by the CEO who is responsible for the day-to-day management of the organisation. This includes:

- Development, monitoring and implementation of strategic plan**
- Identifying and pursuing opportunities for fundraising and business development**
- Arranging preparation of budgets and forecasts for presentation to the board**
- Administrative decisions regarding finance, HR, health and safety, project evaluation, management information systems, marketing and communications**

The CEO works with a Senior Leadership Team who support in these areas.

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

When new trustees are appointed to the Board, they receive an induction pack which includes information on trustee duties, a copy of our governing document and Charity Commission guidelines for trustees. We provide an overview of the charity's finances, our Safeguarding policy and a guide to the decisions that will need to be made as part of the role. We also give training on Safeguarding, what to do if things go wrong and have a code of conduct which trustees sign up to when they join.

Trustee terms are four years each, with a maximum of 9 years served in total. After four years, should the trustee wish to remain they are re-elected onto the Board by the remaining trustees. If the trustee is considering stepping down, we ask trustees to continue for one year in order to induct a replacement trustee, or to give a minimum 6 months' notice.

When recruiting new trustees, the charity will create a recruitment pack including a person specification. We regularly undertake a skills audit to identify any gaps in knowledge or expertise that would be useful to the charity. When recruiting we will outline any skills we are particularly looking for. We advertise on our own website and social media channels, alongside industry recruitment sites and publications. In some cases, we will engage a charity trustee recruiter to support this process.

In all of our recruitment, we are committed to being a welcoming and inclusive organisation. It is important to us that our Board is representative of the young people we serve. We particularly welcome applications from disabled people, LGBTQIA+ people, Black, Asian and minority ethnic candidates. We believe that a diverse board will have the best range of talents to work effectively, and we encourage applications from people under the age of 30. For all roles we guarantee to interview anyone with a disability whose application meets the essential criteria for a post.

From next year we plan to hold two spaces on the board of trustees for representatives from our Youth Collective. They will undergo the same recruitment process as all trustees and serve a term of one or two years.

Key management remuneration

Within the organisation we have salary bandings for the different levels of role and take into consideration the seniority of the role and the skills required when setting the salary. When recruiting for any paid role, we benchmark against comparable roles within similar organisations, taking into account our salary bands, budgets, and current financial position.

We run an annual appraisal process where performance related pay rises can be discussed and considered. When budgeting for future years we take into account a cost of living adjustment.

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

We offer consultancy and support to set up mentoring schemes for young people within other organisations such as the the British Museum, Westminster Council and Jerwood Arts. This consultancy is chargeable and therefore supplements our income. We also work with organisations such as the London Transport Museum to support young people (employees and freelancers) with places on our programme. In these instances the organisations cover the associated costs (mentor training, support for the mentees).

We also work with various arts organisations to offer work experience to young people to help further their access to careers in this area. We coordinate this to ensure that safeguarding considerations are taken into account and that the work experience is fit for purpose. We require unpaid work experience placements to be less than a week and advocate for young people to be paid expenses. Our network also offers ad-hoc opportunities which support our aims (such as free theatre tickets or museum passes for our beneficiaries). There are no financial transactions between Arts Emergency and the partner organisations in relation to these work experience placements or opportunities.

Management

The management of the charitable company is vested in the trustees who are directors for the purposes of company law.

The trustees delegate the day to day administration of the charity to the Chief Executive Officer.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
07655709 (England and Wales)

Registered Charity number
1152377

Registered office
Unit W3
8 Woodberry Down
London
N4 2TG

Trustees

Mr S Glanville (resigned 6/9/2022)
Mr D W Stewart (resigned 21/2/2023)
Ms F Woodrow (Treasurer)
Mr J J Burke
Ms K J A Edwards
Ms E O Adegoke
Ms E J Tapping (resigned 23/5/2023)
Ms A Keramidas
Miss C L Heywood (appointed 13/12/2022)
Miss J Dotiwala (appointed 13/12/2022)
Ms P K Mann (Chair) (appointed 6/9/2022)
Mr S J Oddie (appointed 13/12/2022)
Ms B V Patel (appointed 13/12/2022)

The Arts Emergency Service

**Report of the Trustees
for the Year Ended 30 June 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

Mr T D Fletcher

Independent Examiner

Melanie Richardson BA(Hons) FCA

Swindells LLP

Chartered Accountants

Atlantic House

8 Bell Lane

Bellbrook Industrial Estate

Uckfield

East Sussex

TN22 1QL

Support team of the trustees

Chief Executive Officer: Mr Neil Griffiths

Administration support: Wendy Gundry, ASL Consultancy

Other information

Website: www.arts-emergency.org

Social Media: Facebook, Twitter and LinkedIn Accounts: Visit website

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on18.03.2024..... and signed on the board's behalf by:



Ms P K Mann - Trustee

**Independent Examiner's Report to the Trustees of
The Arts Emergency Service**

Independent examiner's report to the trustees of The Arts Emergency Service ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

**Independent Examiner's Report to the Trustees of
The Arts Emergency Service**

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

MRichardson

Melanie Richardson BA(Hons) FCA

**Swindells LLP
Chartered Accountants
Atlantic House
8 Bell Lane
Bellbrook Industrial Estate
Uckfield
East Sussex
TN22 1QL**

Date: 19.3.21

The Arts Emergency Service

**Statement of Financial Activities
for the Year Ended 30 June 2023**

		Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	<u>677,314</u>	<u>113,097</u>	<u>790,411</u>	<u>570,784</u>
EXPENDITURE ON					
Charitable activities	3				
Charitable activities		<u>648,213</u>	<u>84,033</u>	<u>732,246</u>	<u>621,444</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	13	<u>29,101 (1)</u>	<u>29,064 1</u>	<u>58,165 -</u>	<u>(50,660) -</u>
Net movement in funds		29,100	29,065	58,165	(50,660)
RECONCILIATION OF FUNDS					
Total funds brought forward		369,505	25,482	394,987	445,647
TOTAL FUNDS CARRIED FORWARD		<u><u>398,605</u></u>	<u><u>54,547</u></u>	<u><u>453,152</u></u>	<u><u>394,987</u></u>

The notes form part of these financial statements

The Arts Emergency Service

**Balance Sheet
30 June 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	10	10,499	999	11,498	10,055
CURRENT ASSETS					
Debtors	11	62,003	-	62,003	52,324
Cash at bank		376,801	53,550	430,351	357,174
		<u>438,804</u>	<u>53,550</u>	<u>492,354</u>	<u>409,498</u>
CREDITORS					
Amounts falling due within one year	12	(50,699)	(1)	(50,700)	(24,566)
NET CURRENT ASSETS		<u>388,105</u>	<u>53,549</u>	<u>441,654</u>	<u>384,932</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>398,604</u>	<u>54,548</u>	<u>453,152</u>	<u>394,987</u>
NET ASSETS		<u>398,604</u>	<u>54,548</u>	<u>453,152</u>	<u>394,987</u>
FUNDS	13				
Unrestricted funds				398,604	369,505
Restricted funds				54,548	25,482
TOTAL FUNDS				<u>453,152</u>	<u>394,987</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

The Arts Emergency Service

**Balance Sheet - continued
30 June 2023**

The financial statements were approved by the Board of Trustees and authorised for issue on
.....16.03.2024..... and were signed on its behalf by:


.....
Ms P K Mann - Trustee

The notes form part of these financial statements

The Arts Emergency Service

**Cash Flow Statement
for the Year Ended 30 June 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	77,821	(47,148)
		<hr/>	<hr/>
Net cash provided by/(used in) operating activities		77,821	(47,148)
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,644)	(7,095)
		<hr/>	<hr/>
Net cash used in investing activities		(4,644)	(7,095)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		73,177	(54,243)
Cash and cash equivalents at the beginning of the reporting period		357,174	411,417
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		430,351	357,174
		<hr/>	<hr/>

The notes form part of these financial statements

The Arts Emergency Service

**Notes to the Cash Flow Statement
for the Year Ended 30 June 2023**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	58,165	(50,660)
Adjustments for:		
Depreciation charges	3,201	2,433
Increase in debtors	(9,679)	(2,715)
Increase in creditors	26,134	3,794
Net cash provided by/(used in) operations	<u>77,821</u>	<u>(47,148)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.7.22 £	Cash flow £	At 30.6.23 £
Net cash			
Cash at bank	357,174	73,177	430,351
	<u>357,174</u>	<u>73,177</u>	<u>430,351</u>
Total	<u>357,174</u>	<u>73,177</u>	<u>430,351</u>

The notes form part of these financial statements

The Arts Emergency Service

Notes to the Financial Statements for the Year Ended 30 June 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The presentation currency in the financial statements is the Pound Sterling (£).

Income

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

The charity receives donations from members of the public. These donations are deposited into the charity's bank account and are recognised when the funds are received.

Grant income is recognised when the charity has entitlement to the funds, and any performance conditions attached to the grants have been met.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on charitable activities includes administering mentoring schemes and other projects associated with the charity's aims. All support costs are allocated to expenditure on charitable activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment - 25% on reducing balance

Taxation

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

Fund accounting

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

The Arts Emergency Service

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

Pension costs and other post-retirement benefits

The charitable company contributes towards employee's defined contribution pension schemes. Contributions payable to the pension schemes are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The trustees have reviewed the circumstances of The Arts Emergency Service and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. As such, the trustees are of the view that the charity is a going concern.

Grants

Government grants in respect of capital expenditure are credited to a deferred income account and released to profit over the expected useful lives of the relevant assets in equal annual instalments.

Government grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	530,870	450,818
Gift aid	59,402	49,966
Grants	200,139	70,000
	<hr/>	<hr/>
	790,411	570,784
	<hr/>	<hr/>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Grants	200,139	70,000
	<hr/>	<hr/>

The Arts Emergency Service

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2023**

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 4) £	Support costs (see note 5) £	Totals £
Charitable activities	696,993	35,253	732,246

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	482,156	399,075
Rent and rates	21,730	22,337
Insurance	2,427	676
Telephone	2,514	1,953
Postage, stationery and printing of materials	17,171	16,818
Service support	-	9,792
Staff training	4,308	9,252
Subscriptions	987	206
Office	3,231	20,259
IT costs	45,501	52,091
Travel	16,236	6,709
DBS checks	936	1,946
Event costs	21,903	15,477
Consultancy	31,934	34,659
Hospitality	3,174	1,925
Recruitment costs	38,505	-
Vouchers	1,020	-
Donations	59	-
Depreciation	3,201	2,433
	696,993	595,608

The Arts Emergency Service

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2023**

5. SUPPORT COSTS

	Finance	Governance	
	£	costs	Totals
	£	£	£
Charitable activities	5,587	29,666	35,253
	<u>5,587</u>	<u>29,666</u>	<u>35,253</u>

Governance costs include £2,000 (2022: £2,000) in respect of the independent examination of these financial statements.

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	3,201	2,433
	<u>3,201</u>	<u>2,433</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2023 nor for the year ended 30 June 2022.

Trustees' expenses

During the year, two (2022: none) trustees received reimbursements of employment related expenses amounting to £2,005 (2022: £Nil).

8. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	437,258	358,197
Social security costs	35,461	32,694
Other pension costs	9,437	8,184
	<u>482,156</u>	<u>399,075</u>

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

	2023	2022
	18	16
Charitable activities and administration	<u>18</u>	<u>16</u>

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

The Arts Emergency Service

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2023**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	<u>525,784</u>	<u>45,000</u>	<u>570,784</u>
 EXPENDITURE ON			
Charitable activities			
Charitable activities	<u>582,310</u>	<u>39,134</u>	<u>621,444</u>
 NET INCOME/(EXPENDITURE)			
Transfers between funds	<u>(56,526)</u> <u>(10)</u>	<u>5,866</u> <u>10</u>	<u>(50,660)</u> <u>-</u>
Net movement in funds	<u>(56,536)</u>	<u>5,876</u>	<u>(50,660)</u>
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>426,041</u>	<u>19,606</u>	<u>445,647</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>369,505</u></u>	<u><u>25,482</u></u>	<u><u>394,987</u></u>

10. TANGIBLE FIXED ASSETS

	Office equipment £
COST	
At 1 July 2022	14,996
Additions	<u>4,644</u>
At 30 June 2023	<u>19,640</u>
 DEPRECIATION	
At 1 July 2022	4,941
Charge for year	<u>3,201</u>
At 30 June 2023	<u>8,142</u>
 NET BOOK VALUE	
At 30 June 2023	<u><u>11,498</u></u>
At 30 June 2022	<u><u>10,055</u></u>

The Arts Emergency Service

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2023**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other debtors	59,702	50,466
Prepayments and accrued income	2,301	1,858
	<hr/> 62,003 <hr/>	<hr/> 52,324 <hr/>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Social security and other taxes	18,551	9,798
Other creditors	1,884	1,749
Accruals and deferred income	30,265	13,019
	<hr/> 50,700 <hr/>	<hr/> 24,566 <hr/>

13. MOVEMENT IN FUNDS

	At 1.7.22	Net movement in funds	Transfers between funds	At 30.6.23
	£	£	£	£
Unrestricted funds				
General fund	369,505	29,100	(1)	398,604
Restricted funds				
Postcode Lottery	4,127	(4,127)	-	-
John Lyon's Charity	11,355	(2,496)	-	8,859
Creative Mentoring in Westminster	10,000	(10,001)	1	-
Sarah Chamberlain & Tom Curtis	-	12,387	-	12,387
Dr Martens Foundation	-	5,920	-	5,920
Youth Collective	-	2,382	-	2,382
The Portal Trust	-	25,000	-	25,000
	<hr/> 25,482 <hr/>	<hr/> 29,065 <hr/>	<hr/> 1 <hr/>	<hr/> 54,548 <hr/>
TOTAL FUNDS	<hr/> 394,987 <hr/>	<hr/> 58,165 <hr/>	<hr/> - <hr/>	<hr/> 453,152 <hr/>

The Arts Emergency Service

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	677,314	(648,214)	29,100
Restricted funds			
Postcode Lottery	1	(4,128)	(4,127)
John Lyon's Charity	25,000	(27,496)	(2,496)
Creative Mentoring in Westminster	-	(10,001)	(10,001)
Sarah Chamberlain & Tom Curtis	45,075	(32,688)	12,387
Dr Martens Foundation	15,639	(9,719)	5,920
Youth Collective	2,382	-	2,382
The Portal Trust	25,000	-	25,000
	<u>113,097</u>	<u>(84,032)</u>	<u>29,065</u>
TOTAL FUNDS	<u>790,411</u>	<u>(732,246)</u>	<u>58,165</u>

Comparatives for movement in funds

	At 1.7.21 £	Net movement in funds £	Transfers between funds £	At 30.6.22 £
Unrestricted funds				
General fund	426,041	(56,526)	(10)	369,505
Restricted funds				
Magenta Living	-	(2)	2	-
Postcode Neighbourhood Trust	18,406	(14,279)	-	4,127
Girdlers Trust	1,200	(1,208)	8	-
John Lyon's Charity	-	11,355	-	11,355
Creative Mentoring in Westminster	-	10,000	-	10,000
	<u>19,606</u>	<u>5,866</u>	<u>10</u>	<u>25,482</u>
TOTAL FUNDS	<u>445,647</u>	<u>(50,660)</u>	<u>-</u>	<u>394,987</u>

The Arts Emergency Service

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	525,784	(582,310)	(56,526)
Restricted funds			
Magenta Living	10,000	(10,002)	(2)
Postcode Neighbourhood Trust	-	(14,279)	(14,279)
Girdlers Trust	-	(1,208)	(1,208)
John Lyon's Charity	25,000	(13,645)	11,355
Creative Mentoring in Westminster	10,000	-	10,000
	<u>45,000</u>	<u>(39,134)</u>	<u>5,866</u>
TOTAL FUNDS	<u><u>570,784</u></u>	<u><u>(621,444)</u></u>	<u><u>(50,660)</u></u>

Postcode Lottery

Postcode Lottery (restricted fund) - an amount of £18,406 was received in previous years from the Postcode Neighbourhood Trust. These funds were used to fund mentoring and opportunities for 50 marginalised young people in Merseyside for the Merseyside project. The Merseyside project commenced in September 2021, with all remaining funds spent in the year being on the employees involved in the project. All funds allocated to this project have now been spent and therefore there are no funds for this project c/fwd.

John Lyon's Charity

John Lyon's Charity (restricted fund) - £25,000 was received from the John Lyon's Charity in the previous year and again in January 2023. The funds are being used for a mentoring programme in London specifically targeted at young people from a range of London areas. Funds in the year were spent on the salaries of twelve employees who are involved in the mentoring project. One further donation of £25,000 is set to be received in the following financial year to continue to fund the project.

Creative Mentoring in Westminster

Creative Mentoring in Westminster (restricted fund) - £10,000 was received from the Westminster Foundation in June 2022 to further fund the London mentoring programme. The project commenced in July 2022 and funds have been spent on the salaries of mentors involved in the project. All funds allocated to this project have now been spent and there are therefore no funds for this project c/fwd.

The Arts Emergency Service

Notes to the Financial Statements - continued for the Year Ended 30 June 2023

13. MOVEMENT IN FUNDS - continued

Sarah Chamberlain & Tom Curtis

Sarah Chamberlain & Tom Curtis (restricted fund) - £46,076 was received from Sarah Chamberlain and Tom Curtis in July 2022 to fund the costs of a new Fundraising Manager for Arts Emergency. The new Fundraising Manager was appointed in August 2022 and funds in the year have been spent on their salary, training, recruitment and IT costs. The funds c/fwd will continue to finance the Fundraising Manager role.

Dr Martens Foundation

Dr Martens Foundation (restricted fund) - £15,639 was received from the Dr Martens Foundation in November 2022 to fund the Greater Manchester mentoring programme. The mentoring project is designed to provide opportunities and advice for young people to gain knowledge about the industry and a pathway into the arts. Funds in the year were spent on salaries, staff training, travel expenses, IT costs and printing. There is a small remaining balance in the fund which is being c/fwd.

Youth Collective

Youth Collective (restricted fund) - £2,382 was received in donations in the year to fund the Youth Collective. The Youth Collective are the representatives of the young people in the Arts Emergency network, and funds will be used to provide training and support so that the team are able to develop their own advocacy, activism and community work.

The Portal Trust

The Portal Trust (restricted fund) - £25,000 represents a grant received from the Portal Trust for the creative mentoring for young Londoners.

14. RELATED PARTY DISCLOSURES

The total amount of employee benefits (salary) received by key management personnel (CEO) was £45,800 (2022: £47,742).

During the year donations were received from trustees totalling £1,280 (2022: £1,235).

There were no further related party transactions for the year ended 30 June 2023.

15. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee with the liability of its members limited to £10, being the amount each member is required to contribute towards any outstanding debts and liabilities upon the winding up of the company.