

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 2019
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

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The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2019

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 2019. 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 2015).

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.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Main achievements summary

Helping disadvantaged young people aged 16 to 19 years 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 student-led, goal-focused mentoring and networking programme.

Mentoring services

Mentoring lasts up to one year and is focused on achieving and developing relevant goals identified by the young person at the start of the programme. These goals can be personal or academic and all student applicants should be keen to develop an artistic practice or progress academically while focusing on the arts, humanities or social sciences.

The Arts Emergency Service
Report of the Trustees
for the Year Ended 30 June 2019

ACHIEVEMENT AND PERFORMANCE

Summary of the main activities of the charity during the year

The charity has approximately 4000 volunteers and is currently working with 468 young people aged 16-24 years with mentoring projects in Greater Manchester and London.

Our full Impact Report can be found at:

<https://arts-emergency.org/wp-content/uploads/2019/06/Arts-Emergency-2018-Impact-Report.pdf>

In 2018/19 we trained 226 new mentors who are typically Arts and Humanities graduates from a range of backgrounds with relevant and substantial experience in an academic, creative or professional field. Mentoring lasts for one year and is focused on identifying and achieving personal goals, demystifying university and the creative and cultural industries, and developing professional networks in these fields.

This year we increased our mentoring reach by a third, working with 150 young people aged 16-17 across London and Greater Manchester. One hundred and thirty four young people completed the year (a retention rate of 89%) and 124 of those young people went on to apply to university (93%).

As a result of going through our mentoring programme young people are more prepared for the future (95% agreed), more comfortable in cultural spaces (79% agreed) and widen their professional networks (71% agreed). They are more confident when in places of work (79% agreed), more prepared for university (79% agreed) and more informed about future careers (98% agreed).

We have developed targeted selection criteria and good working relationships with partner colleges and school sixth forms in order to identify and support those students most able to benefit, but least able to access, from the kind of support and advice Arts Emergency mentors offer. We typically work with colleges and sixth forms where 40% or more of pupils are eligible for Pupil Premium.

In addition to our mentoring projects we created 25 work experience placements, and shared 184 opportunities such as free event tickets, developmental workshops, and visits to creative workplaces such as film sets and publishing houses.

In 2018/19 we published "Panic! It's an Arts Emergency!" which was launched with a high-profile event at The Barbican. We collaborated with Create London and academics from the Universities of Sheffield and Edinburgh. The research highlighted serious barriers to work within all creative and cultural sectors along the lines of class, gender and ethnicity.

With our academic partners we developed a methodology for identifying viable locations for new projects nationally. More information about this report can be found on our website: <https://arts-emergency.org/news/panic-report/>

FINANCIAL REVIEW

Financial position

At 30 June 2019 the charitable company had free reserves of £247,821 (2018 - £148,398) and restricted reserves of £5,000 (2018 - £nil). Net income for the year of £104,423 included £55,095 relating to Gift Aid claims for the financial years 2015 to 2019. This is compared to the previous year's figure for total ongoing activities of £48,262 which has been restated following the correction of a prior period error, increasing costs by £8,496.

The Arts Emergency Service

Report of the Trustees for the Year Ended 30 June 2019

FINANCIAL REVIEW

Reserves policy

Charitable free reserves are defined as income which becomes available to the charitable company and is to be spent at the Trustees' discretion in furtherance of any of the charity's objectives, but which is not yet spent, committed or designated.

The free reserves of the charitable company are represented by the accumulation of cash reserves from surpluses of income over expenditure in both the current and past financial years. The charitable company currently has annual running costs of approximately £240,000 that require financing before retaining most of its free reserves for the purposes of financing its future charitable objectives.

The level of free reserves is reviewed regularly by the Trustees and the charitable company's reserves stance is to maintain accumulated funds at a sufficient level to cover three months running costs of the charitable company for the foreseeable future with any surpluses used to support future charitable objectives.

FUTURE PLANS

In 2019/20 we aim to increase our mentoring reach again, by around 25%, as well as dedicate more resources to supporting our growing programme alumni, aged 18-24. The core team has continued to expand as we prepare to launch projects in up to 12 new sites across the United Kingdom by 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Arts Emergency Service is a registered charitable company number 1152377, 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 charitable company 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.

Management

The management of the charitable company is vested in the officers of the Company comprising Trustees, Treasurer, and Secretary who, together with other elected members, are Directors for the purpose of company law and Trustees for the purpose of charity law.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07655709 (England and Wales)

Registered Charity number

1152377

The Arts Emergency Service

**Report of the Trustees
for the Year Ended 30 June 2019**

Registered office

Unit W3
8 Woodberry Down
London
N4 2TG

Trustees

Ms J I Long
Mr S Glanville
Professor M G Mcquillan (resigned 1/8/2018)
Ms M T O'Hara
Mr D W Stewart
Mr J M Wakeham
Ms F Woodrow Treasurer
Mr J J Burke
Ms K J A Edwards (appointed 15/7/2019)

Company Secretary

Ms E J Tapping

Independent Examiner

Melanie Richardson BA(Hons) FCA
ICAEW
Swindells LLP
Chartered Accountants
Atlantic House
8 Bell Lane
Bellbrook Industrial Estate
Uckfield
East Sussex
TN22 1QL

Support team of the trustees

Manager: 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

Approved by order of the board of trustees on 16 March 2020 and signed on its behalf by:



Ms F Woodrow - 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 2019.

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 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 registered member of ICAEW 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.



Melanie Richardson BA(Hons) FCA
ICAEW
Swindells LLP
Chartered Accountants
Atlantic House
8 Bell Lane
Bellbrook Industrial Estate
Uckfield
East Sussex
TN22 1QL

Date: 19 March 2020

The Arts Emergency Service

Statement of Financial Activities for the Year Ended 30 June 2019

		Unrestricted fund	Restricted fund	2019 Total funds	2018 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	331,085	5,000	336,085	200,121
EXPENDITURE ON					
Charitable activities	3				
Charitable activities		231,662	-	231,662	151,859
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME		99,423	5,000	104,423	48,262
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		156,894	-	156,894	100,136
Prior year adjustment	10	<u>(8,496)</u>	<u>-</u>	<u>(8,496)</u>	<u>-</u>
As restated		148,398	-	148,398	100,136
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>247,821</u>	<u>5,000</u>	<u>252,821</u>	<u>148,398</u>

The notes form part of these financial statements

The Arts Emergency Service

Balance Sheet 30 June 2019

		Unrestricted fund	Restricted fund	2019 Total funds	2018 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11	2,784	-	2,784	-
CURRENT ASSETS					
Debtors	12	55,507	-	55,507	450
Cash at bank		<u>202,159</u>	<u>5,000</u>	<u>207,159</u>	<u>156,724</u>
		257,666	5,000	262,666	157,174
CREDITORS					
Amounts falling due within one year	13	(12,629)	-	(12,629)	(8,776)
NET CURRENT ASSETS		<u>245,037</u>	<u>5,000</u>	<u>250,037</u>	<u>148,398</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>247,821</u>	<u>5,000</u>	<u>252,821</u>	<u>148,398</u>
NET ASSETS		<u>247,821</u>	<u>5,000</u>	<u>252,821</u>	<u>148,398</u>
FUNDS	15				
Unrestricted funds				247,821	148,398
Restricted funds				<u>5,000</u>	<u>-</u>
TOTAL FUNDS				<u>252,821</u>	<u>148,398</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2019 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 2019

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on16 March 2020..... and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'FWoodrow', written over a dotted line.

Ms F Woodrow - Trustee

The notes form part of these financial statements

The Arts Emergency Service

Notes to the Financial Statements for the Year Ended 30 June 2019

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 2015)', 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 (£).

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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, 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.

The Arts Emergency Service

Notes to the Financial Statements - continued for the Year Ended 30 June 2019

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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.

2. DONATIONS AND LEGACIES

	2019	2018 as restated
	£	£
Donations	280,990	199,121
Gift aid	55,095	-
Grants	<u>-</u>	<u>1,000</u>
	<u>336,085</u>	<u>200,121</u>

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

	2019	2018 as restated
	£	£
Grants	<u>-</u>	<u>1,000</u>

The Arts Emergency Service

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2019**

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 4) £	Support costs (see note 5) £	Totals £
Charitable activities	<u>219,732</u>	<u>11,930</u>	<u>231,662</u>

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2019 £	2018 as restated £
Staff costs	172,088	83,683
Rent and rates	11,697	10,820
Insurance	83	490
Telephone	844	596
Postage, stationery and printing of materials	3,546	2,617
Service support	13,334	11,603
Staff training	1,387	385
Office	543	370
IT costs	6,758	13,507
Travel	3,848	1,096
DBS checks	932	676
Event costs	3,744	14,489
Depreciation	<u>928</u>	<u>-</u>
	<u>219,732</u>	<u>140,332</u>

5. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Charitable activities	<u>5,330</u>	<u>6,600</u>	<u>11,930</u>

Governance costs include £1,500 (2018: £200) in respect of the independent examination of these financial statements.

The Arts Emergency Service

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2019**

6. NET INCOME/(EXPENDITURE)

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

	2019	2018 as restated
	£	£
Depreciation - owned assets	<u>928</u>	<u>-</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2019 nor for the year ended 30 June 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2019 nor for the year ended 30 June 2018.

8. STAFF COSTS

	2019	2018 as restated
	£	£
Wages and salaries	154,951	75,426
Social security costs	14,404	7,613
Other pension costs	<u>2,733</u>	<u>644</u>
	<u>172,088</u>	<u>83,683</u>

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

	2019	2018 as restated
Charitable activities and administration	<u>6</u>	<u>2</u>

The average number of full-time staff employed during the year was 5 (2018: 2.4).

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 2019**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	200,121	-	200,121
 EXPENDITURE ON			
Charitable activities			
Charitable activities	151,859	-	151,859
	<hr/>	<hr/>	<hr/>
NET INCOME	48,262	-	48,262
 RECONCILIATION OF FUNDS			
Total funds brought forward	100,136	-	100,136
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>148,398</u>	<u>-</u>	<u>148,398</u>

10. PRIOR YEAR ADJUSTMENT

The charity has made a prior year adjustment of £8,496 relating to expenditure on wages, salaries and consultant costs which were not accrued as at 30 June 2018. In order to properly reflect the true value of costs in the prior year, the charity has decided to make a prior year adjustment.

The effect of these changes is to decrease the surplus for the year and net assets by £8,496.

11. TANGIBLE FIXED ASSETS

	Office equipment £
COST	
Additions	<u>3,712</u>
 DEPRECIATION	
Charge for year	<u>928</u>
 NET BOOK VALUE	
At 30 June 2019	<u>2,784</u>
At 30 June 2018	<u>-</u>

The Arts Emergency Service

Notes to the Financial Statements - continued
for the Year Ended 30 June 2019

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018 as restated
	£	£
Other debtors	55,095	450
Prepayments and accrued income	<u>412</u>	<u>-</u>
	<u>55,507</u>	<u>450</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018 as restated
	£	£
Social security and other taxes	8,722	5,917
Other creditors	827	252
Wages and salaries control	65	326
Accruals and deferred income	<u>3,015</u>	<u>2,281</u>
	<u>12,629</u>	<u>8,776</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018 as restated
	£	£
Within one year	1,523	8,122
Between one and five years	<u>-</u>	<u>2,030</u>
	<u>1,523</u>	<u>10,152</u>

The Arts Emergency Service

Notes to the Financial Statements - continued
for the Year Ended 30 June 2019

15. MOVEMENT IN FUNDS

	At 1.7.18 £	Prior year adjustment £	Net movement in funds £	At 30.6.19 £
Unrestricted funds				
General fund	156,894	(8,496)	99,423	247,821
Restricted funds				
London Works	-	-	5,000	5,000
TOTAL FUNDS	<u>156,894</u>	<u>(8,496)</u>	<u>104,423</u>	<u>252,821</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	331,085	(231,662)	99,423
Restricted funds			
London Works	5,000	-	5,000
TOTAL FUNDS	<u>336,085</u>	<u>(231,662)</u>	<u>104,423</u>

Comparatives for movement in funds

	At 1.7.17 £	Net movement in funds £	At 30.6.18 £
Unrestricted funds			
General fund	100,136	48,262	148,398
TOTAL FUNDS	<u>100,136</u>	<u>48,262</u>	<u>148,398</u>

The Arts Emergency Service

Notes to the Financial Statements - continued for the Year Ended 30 June 2019

15. 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	200,121	(151,859)	48,262
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>200,121</u>	<u>(151,859)</u>	<u>48,262</u>

London Works (restricted fund) - an amount of £5,000 was received from a private donor to contribute towards the costs of a London Project Officer. The member of staff was appointed after the year end.

16. RELATED PARTY DISCLOSURES

The total amount of employee benefits received by key management personnel was £45,118 (2018: £40,131).

There were no further related party transactions for the year ended 30 June 2019.

17. 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.