

Registered Company No: SC 225422

Registered Charity No: SC 032430

IMPACT ARTS (PROJECTS) LIMITED

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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	PAGE
Reference and Administrative information	1
Report of the Trustees	2-18
Independent Auditor's Report	19-22
Statement of Financial Activities	23
Balance Sheet	24
Cashflow Statement	25
Notes to the Financial Statements	26-39

IMPACT ARTS (PROJECTS) LIMITED
(a company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name:	Impact Arts (Projects) Limited
Registered Office:	The Boardwalk 105 Brunswick Street Glasgow Scotland G1 1TF
Charity Registration Number:	SC225422
Company Registration Number:	SC032430
Trustees:	C S Sharkey M Allison C S Denholm P Pasino C McNab (resigned 18/02/2022) R N Hackett (resigned 23/08/2021) G H Gilmour J Sweeney J Hadwin J Wilson N Vaswani (appointed 17/05/2021) S Akram (appointed 23/08/2021) J Farrow (appointed 10/11/2021)
Secretary:	M L McLaren
Independent Auditors:	Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP
Bankers:	The Royal Bank of Scotland 1304 Duke Street Glasgow G31 5PZ
Solicitors:	MacRoberts LLP 60 York Street Glasgow G2 8JX

IMPACT ARTS (PROJECTS) LIMITED **(A company limited by guarantee)**

Report of the Trustees for the year ended 31 March 2022

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 31 March 2022. 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).

Welcome from Impact Arts' Chair Jim Sweeney MBE and Chief Executive Officer Fiona Doring

Throughout 2021/22 we felt a collective relief that we could, once more, gradually return to normal and see one another in person. The previous year was one of deep unsettlement for our staff, but disproportionately for the people and communities we support. The ability to make art together, to celebrate the shared experience of in person showcase events, exhibitions and performances and to benefit from holistic in person support has been joyous.

However, this joy was straddled with great concern as we saw the catastrophic effects that Covid-19 was having on the people and communities we support. Yet for every challenging personal story heard, there was also a multitude of wonderful stories. Of lives transformed, confidence raised and hope for the future instilled. In presenting this annual report to you we are proud to share the newly adapted and tailored approaches taken by Impact Arts and the achievements that our participants made as a result of engagement with the support of our incredible team.

The demand for Impact Arts' work has never been greater and continues to rise, but to respond to the enduring effects of Covid we realised the need for deeper and more enduring engagement. In response, we focussed our efforts on those who needed them the most, and where we could achieve maximum impacts. We incorporated new mental health and wellbeing support across all programmes, ensuring we provided the highest quality experience for all, that projects were fit for purpose and directly responded to participant needs, which included:

- The desires of those aged 60+ to be in one another's company at our Craft Café workshops; but who were experiencing increased social anxiety as a result of extended periods alone and a nervousness to come together for fear that Covid is still very much around us. Many were feeling the pain of losing loved ones during the pandemic. In response, the Craft Café Team worked on a 1-2-1 basis to identify and overcome the barriers to participation. Encouraging individuals to engage in outdoor activities; learn new digital tools and slowly come back to the Elderpark centre via small group engagement.
- Our young people told us very clearly that they were desperate for face-to-face workshops. We heard how our creative sessions gave them a chance to meet new friends in a shared and inclusive environment while learning new skills and enjoying the therapeutic benefits that taking part in arts activities brings.
- Demand for our children's art therapy services escalated and our growing team of art therapists quickly responded to the needs of children experiencing exacerbated trauma; supporting them to develop their resilience, to work through challenging emotions and to build confidence for a positive future.

Being back in the room with participants with enhanced needs and challenges also required a nimble response and as a result we bolstered internal safeguarding structures & procedures, invested in ongoing staff training and significantly grew resources to provide enhanced support to all, including our amazing team.

IMPACT ARTS (PROJECTS) LIMITED
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

The year held many exciting opportunities for us, not least being hosted at COP26 in Glasgow during which we showcased the work emerging from our 5 year partnership with Our Bright Future. We were delighted to receive funding through the UK Community Renewal Fund to expand our employability, enterprise and environmental work in North Ayrshire as well develop the skills and expertise of local artists, providing valuable opportunities for them to engage with their local communities on matters of importance to them.

A huge and heartfelt thank you must go to all of the Impact Arts team for the role they play in helping us achieve our impact. They continue to respond to all of these challenges with vigour, determination and kindness. They are committed to the values of Impact Arts and to the importance placed upon our work by those we seek to serve each and every single day. A special thank you too to all of our funders, supporters and partners who hold a shared belief in the power of creative engagement to transform lives and to working with artists to build resilience, develop positive life skills and increase the wellbeing of our people and communities.

Jim Sweeney MBE, Chair & Fiona Doring, CEO

IMPACT ARTS (PROJECTS) LIMITED **(A company limited by guarantee)**

Report of the Trustees for the year ended 31 March 2022

Objectives and aims

Impact Arts (Projects) Limited is a company limited by guarantee (Company number SC225422) and is governed by its Memorandum and Articles of Association. Impact Arts is registered as a charity (Charity number SCO32430) with the Office of the Scottish Charity Regulator (OSCR) and with HMRC. The activities of the charity are governed by the Board of Trustees.

The objectives of the charity are:

1. To advance the arts and culture.
2. The prevention and relief of poverty and improving people's quality of life through creative engagement and prioritising those disadvantaged by inequality.
3. To advance education through the arts by encouraging and providing opportunities and facilities for people to engage in arts activities whether in the field of visual arts, the performing arts or otherwise and by providing training and skills development opportunities to improve life skills.
4. To advance health and wellbeing through creative engagement.
5. To advance citizenship and community development by promoting increased community participation through consultation and place making which enhances quality of life.

Our Vision, Mission and Values

Our Vision

We envisage a Scotland where everyone values and benefits from the power of creativity to transform lives.

Our Mission

To tackle inequalities in Scotland through creative engagement.

Our Values

Creativity:	We always place creativity at the centre of all that we do.
Integrity:	We are always honest and truthful and act with transparency.
Equality:	We value people's right to be different and ensure everyone has equal opportunity.
Kindness:	We always treat everyone with care and respect.
Ambition:	We are always ambitious in what we want to achieve for our partners, participants and colleagues.

Background to Impact Arts

Widely recognised as one of Scotland's leading national arts organisations, Impact Arts has been supporting people and communities to transform their lives through creativity and the arts since 1994.

We specialise in using creative techniques to address common challenges that restrict life chances faced by those living in poverty, mainly: low aspiration, and lack of personal and community confidence alongside low educational attainment and high levels of localised unemployment, poor physical or mental health, and social isolation.

IMPACT ARTS (PROJECTS) LIMITED **(A company limited by guarantee)**

Report of the Trustees for the year ended 31 March 2022

To tackle these issues, we deliver services in a range of communities for over 5000 people per annum, including working with young people to remove barriers (such as low confidence and poor mental health) and increase their core employability and life skills. The majority of young people we work with are from areas of high deprivation, including those who are care experienced, experience of or at risk of homelessness, disengaged from school, or with no or few qualifications.

We listen carefully to the needs of the people and communities we seek to serve while creating opportunities for their voices and views to be heard more widely. As such we provide art therapy for children and families experiencing trauma and have increased our wellbeing support for older people to reflect the increased isolation and poor mental health they are reporting as we move out of Covid restrictions.

Impact Arts works across Central Scotland, with headquarters in Glasgow's Merchant City and an office/studio in Irvine, North Ayrshire, to ensure our services are accessible for young people from across the city, and in particular from communities with levels of deprivation.

Impact Arts has a clear strategic plan to 2022, supported by an annual operational and financial plan.

Our strategic objectives as set out in our strategic plan to 2022 are:

We will transform Children and Young People's lives through impactful arts and creativity.

1. We will improve children and young people's wellbeing.
2. We will improve children and young people's life chances.
3. We will give children and young people access to the highest quality artists and creative talents in Scotland.

We will grow Communities to become stronger and empowered through creative engagement.

1. We will improve the quality of life and support communities to flourish.
2. We will use the arts and creativity to engage people and communities in matters of importance to them.
3. We will use an artist led co-design process to support people place making.

We will support Older People to have the opportunity to take part in life enriching arts and creativity.

1. We will improve older people's health and wellbeing and quality of life.
2. We will use arts and creativity to combat the isolation and loneliness of older people.
3. We will bring older people together with the highest quality artists and creative talent in Scotland.

We will deliver long term sustainability in line with our charitable purpose.

1. We will leverage our relationships with existing funders and partners.
2. We will secure new sustainable, long term income streams and partnerships.
3. We will develop the skills and talent of our people so that together we can achieve the most powerful impact.

Our creative and artistic team are at the core of what we deliver, and we remain committed to supporting and training excellent artists to deliver our impactful creative projects. We strive to offer our artists the highest professional standards of employment as well as providing access to a comprehensive range of training, mentoring and practical experience of delivering community arts programmes.

IMPACT ARTS (PROJECTS) LIMITED **(A company limited by guarantee)**

Report of the Trustees for the year ended 31 March 2022

“We envisage a Scotland where everyone values and benefits from the power of creativity to transform lives.”

HIGHLIGHTS FROM 2021/22

THE YEAR IN NUMBERS

Who we supported in 2021/22:

- 3898 people engaged in a total of 36 creative projects and a range of events & exhibitions
- Participants from 18 local authorities across Scotland took part in our projects
- 553 young people engaged in ongoing creative projects
- 207 children and families were engaged through our art therapy and therapeutic services
- 46% of children and young people were living in the 20% most deprived neighbourhoods in Scotland
- 111 young people in HMYOI Polmont took part in music making and song writing workshops
- 20 artists took part in AMP, our comprehensive training & mentoring programme for unemployed artists
- 158 older people experiencing isolation, loneliness and poor health took part in Craft Café
- 127 care experienced young people were supported to engage with life changing creative projects
- 14% of young people who engaged with Impact Arts were LGBTQI

Our Impact:

- 74% of young people on employability projects achieved 470 positive destination progressions and achieved 354 SQAs
- 70% of older people reported feeling less isolated and 56% improved their mental or physical health as a result of taking part
- We supported 92 people to sustain their tenancies through our Make It Your Own project
- 75% of children benefitting from art therapy in North Ayrshire demonstrated a significant increase in their coping skills and resilience

How young people rated our projects:

- 92% of young people rated our projects either “very good” or “excellent!”
- 93% of participants would recommend an Impact Arts project to a friend
- Up to 85% of young people rate Impact Arts’ tutors as one of the best things about the course with 90% giving them the maximum 5 stars!

MENTAL HEALTH AND WELLBEING

Mental health and wellbeing are at the core of many Impact Arts’ programmes. Following lockdowns and disruptions caused by Covid-19, the social activity, structure and opportunity for progression which our courses offer are more vital than ever.

“I’ve been doing things that help my mental health without the feeling of guilt”
- Creative Pathways Edinburgh participant

Our **Creative Pathways** employability programmes worked with 89 young people across the central belt, teaching self-management skills to improve mental health and wellbeing. The young people find these sessions, where mindfulness and meditation are woven into creative activities like illustration and zine-making, inspiring and useful. The structure and routine of the programme also has a positive impact on participants wellbeing: *“this has helped my wellbeing by helping me get more independence and routine after having stopped for a long time.”*

IMPACT ARTS (PROJECTS) LIMITED (A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

"My daughters have even said to me, what a difference in you Mum – now you are getting out to your project and enjoying yourself"

- Make It Your Own participant

Make It Your Own (MIYO) supports under-served people to sustain their tenancies using creative processes, like mood boards; painting techniques; needlecraft and clay. Receiving support with budgeting and encouragement from staff at Impact Arts, MIYO helps people to make their house a home – a place that they can feel proud of, which offers comfort and safety: *"I was scared to live in my home and now I finally feel like I will be able to settle there over time"*. Our individualised creative approach to tenancy sustainment resulted in 72% of participants reporting increased wellbeing and 89% reporting increased tenancy sustainment skills.



BUILDING CONFIDENCE THROUGH ART

"The programme has made a positive difference in my life and my career. I feel much more confident in my ability to lead community arts projects and have gained a lot of useful contacts, training and experience. It has been inspiring to see the difference that the projects have made to people in the local community and also the local environment."

- Artists Mentoring Programme participant

At the beginning of 2022, Impact Arts' **Artists Mentoring Programme** provided mentoring, training and development opportunities to ten local artists. Working with over 600 people in the community our artists delivered 19 projects with 13 partners across North Ayrshire. The combination of hands-on community arts practice, one-to-one mentoring, shadowing, and training built our participants confidence for their professional futures: *"it has made a huge impact on my career prospects as I didn't have any experience of the arts sector at all, and I feel much more confident... I feel that I can do this now!"*

"They count the days until they get to come."

- Parent of Creative Outdoor Play participant

IMPACT ARTS (PROJECTS) LIMITED (A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

Creative Outdoor Play aims to build children's confidence through child-led activities in nature; providing them with the freedom to explore and be inventive, whilst being supported by their peers and group leaders. One child was selected by his nursery to participate and was nonverbal with adults and did not engage with other children in shared experiences at the beginning of the programme. He was happy to come on the walk with the leaders but was passive in the activities. This child was supported on a 1:1 basis, and over the weeks became comfortable joining in with foraging and making crafts – placing his finished Diwali tea light holder with all the others under a tree, an indication that he wanted to be part of the group. This increase in confidence extended into his life at nursery, where he began interacting with the other children in his class – playing with them in ways that he had learned on the course.



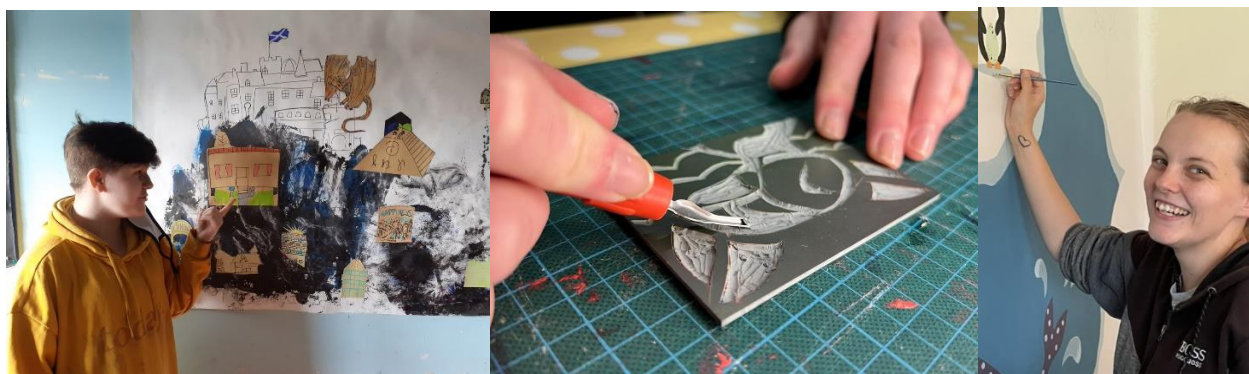
CREATING OPPORTUNITY: EMPLOYABILITY, EDUCATION AND ATTAINMENT

"I have enjoyed being in an environment that allows you to be creative. I have also enjoyed the feeling of achievement that I could never get at school"

- Creative Pathways Edinburgh participant

Traditional classrooms do not meet every pupil's needs. **Creative Pathways** is just one of the Impact Arts projects that aims to improve the life opportunities of its participants using creative learning: moving away from pen and paper educational experiences that the majority of our participants struggle to engage with.

Creative Pathways, alongside **CashBack to the Future** and the **Artists' Mentoring Programme**, offer room for experimentation, play and expression to help people to recognise their own transferrable skills for the future. Working in an informal, fun and hopeful environment, with participant feedback incorporated into the programme is what allows our artists to recognise their own talents and skills.



"This has been the best course I've ever done, and I've done a lot of courses!"

- Creative Pathways North Ayrshire participant

IMPACT ARTS (PROJECTS) LIMITED (A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

Our **Creative Pathways** programme helped young people to prepare for future study, work or training through developing their creative skills; self-management skills relating to health and wellbeing; employability skills; and providing assistance with job and college applications, CVs and personal statements. One participant in North Ayrshire was overwhelmed by anxiety in week one, and by the final week of the course had been offered places at five different colleges.

We saw similar positive progressions following our summer **CashBack to the Future** programme, with many young people progressing onto college, and others entering employment having gained self-esteem through the course – which involved groups of 14-19 year olds across Scotland exploring creativity with professional artists, musicians, filmmakers and actors. *87% of our 2021/22 CashBack participants showed improved confidence.*



FOSTERING SOCIAL EQUALITY

Social equality is at the heart of Impact Arts: providing pathways into employment for young people in under-served communities with **CashBack** and **Creative Pathways**; providing support with tenancy sustainment through **Make it Your Own**; tackling isolation amongst older people at our **Craft Cafes**; addressing trauma through **Art Therapy**; and working creatively within prisons with our **CoCo** project.

"It's not even about the music for me or the performing, it's just having a way to get out how I'm feeling and what I'm going through in a more positive way that won't get me into trouble. It's some buzz, it's a good laugh. I love coming here."

- CoCo participant, HMYOI Polmont

In July 2021 we were able to resume face-to-face workshops with our **CoCo** groups – using music-making to empower young people in prison to express themselves and process emotions positively. 111 young people attended music making sessions and 25 performed on stage at our showcase events, with participants given freedom to make their own choices about how to engage in the programme (i.e. individual or group work; learning an instrument; song writing; singing; music production). There was consistent high attendance, with a notable shift from people writing about violence and aggression to more introspective subjects like family, relationships and change. The skills acquired in the music-making workshops led to participants using time in their cells to write songs, stories and poems to process their emotions positively. 100% of participants wanted to return for another block of workshops.



"I wanted to talk about what's happening in my life"

- Art Therapy participant

IMPACT ARTS (PROJECTS) LIMITED

(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

Art Therapy offers much-needed support to children, young people and families with complex behavioural, emotional and mental health needs; and those who have been affected by bereavement or are suffering the effects of Adverse Childhood Experiences. The demand for these sessions is consistently high and we engaged 156 children throughout the year. The therapeutic approach is very successful, with 90% children reporting improved coping skills; 70% of children reporting improved family relationships; and 90% improved confidence and self-esteem. Art Therapy offers a safe space free from judgement, a listening ear, and something to look forward to – all whilst supporting children to gain confidence and control their emotions: “It’s important to me because if I didn’t come, I wouldn’t have many ways to get rid of stress and problems.”

COP26

“I couldn’t have been more proud of Laura, she used to be scared to speak in public or in front of a small group and she was on stage talking to a big audience at COP26!”

- CashBack to the Future tutor

The climate crisis was an unavoidable subject as Glasgow prepared to host COP26 in November 2021. Our **CashBack to the Future** groups used this as a theme, with one group creating an animation that was then selected to be screened during a COP26 New York Times event. One of our young artists was invited to speak at the public event, and with the support of her Impact Arts tutor – and the confidence gained whilst working with new techniques and new people during the programme – she was able to overcome her fear of speaking in front of an audience. *“I wasn’t expecting to be able to speak to the audience, I was scared and went out of my comfort zone. But I’m really glad I did it!”*



“I find hope being around all of you and talking”

- Craft Café Govan member

During COP26, the world's eyes were on Glasgow, and our **Craft Café Govan** artists tried to steal the show with their colourful and playful plastic garden. The plastic garden, made from recycled arts materials, highlighted the waste created from single-use plastic, eating away at nature. The garden was displayed in a large window alongside their contributions to the **Letters to the Earth** and **Leaves for Life** campaigns, in collaboration with **Glasgow School of Art** students and children from **Pirie Park Primary School**.

IMPACT ARTS (PROJECTS) LIMITED (A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

Older adults often feel that their voices and experiences are not valued. This project aimed to amplify their voices, beginning with a week of workshops encouraging important conversations about the climate crisis and the COP26 summit. In collaboration with **Sustrans**, the members painted a milepost inspired by the Indigenous Totem Latamat pole that was carved in Mexico, travelling through the UK and up to Glasgow for the COP26 conference.



INTERGENERATIONAL PROJECTS

"I find hope in the young ones"
- Craft Café Govan member

Intergenerational work is important, particularly when addressing areas like the climate crisis. For the COP26 project with **Glasgow School of Art** students and **Pirie Park Primary** pupils, **Craft Café Govan** members were able to engage with young children about nature and animals, helping them to draw, write and share their feelings with the world. Respectful conversations with Glasgow School of Art students gave our members hope, and allowed these intergenerational groups to share their feelings, values and experiences with one another.

With the continued need for Covid-19 safety restrictions in care home settings, **Creative Pathways** and **Craft Café Edinburgh** decided to connect through swapping postcards. The **Wee Museum of Memory** at Ocean Terminal provided inspiration to our young artists at Creative Pathways, who sketched items from the heritage trail. The young people formed relationships with the staff at the Wee Museum, who were interested in the artworks and came along – on invitation – to the end of project showcase. Receiving cards from the Craft Café artists, the young people realised that they had common interests and experiences with the older people – pets, nature, careers – and the project opened up discussions about identity as an older person. Similarly, receiving cards from the young artists brought joy to our Craft Café members – coming at a time with few opportunities to connect with others, they provided a much-needed boost and made a positive impact.

"When we showed the card with military beret to D, who is living with dementia, he began to tell us about being in the Royal Airforce. D is living with memory loss, but in that moment, he was able to announce to us his rank and number as a Senior Aircraftsman. He spoke of how he had been required to go to the military (it was national service at the time), but he met some nice people there"

- Feedback from Craft Café Edinburgh member



IMPACT ARTS (PROJECTS) LIMITED **(A company limited by guarantee)**

Report of the Trustees for the year ended 31 March 2022

A huge thank you to all of our wonderful funders who have supported our work throughout 2021/22 including Barnardo's, Bike for Good, Building Brighter Futures, CashBack for Communities, City of Edinburgh Council, Creative Scotland, Cruden Foundation, East Ayrshire Council, Gannochy Trust, Garfield Weston Foundation, Glasgow City Council, Glasgow City Youth Health Service, Glasgow University, Gordon Fraser Charitable Trust, Historic Environment Scotland, Hugh Fraser Foundation, Inspiring Scotland, Irvine Royal Academy, Life Changes Trust, National Lottery Community Fund, Nature Scot, Neighbourly Ltd, North Ayrshire Council, Paisley Housing Association, Pump House Trust, Rayne Foundation, Renfrewshire Council, Robertson Trust, Scottish Children's Lottery, Scottish Council for Voluntary Organisations, Scottish Government, Shettleston Housing Association, Shire Housing Association, Skills Development Scotland, The Arnold Clark Community Fund, The Persimmon Charitable Foundation, The Princes Trust, The William Syson Foundation, Trades House of Scotland, United Way UK, Upperton Residents Committee, Viewpoint Housing Association, WA Cargill Charitable Trust, West Kilbride Community Initiatives Ltd, Young Scot and YouthLink Scotland.

Digital Transformation

We are driven by the needs of all of the people we work with.

Digital strengthens our impact and enriches inclusive connections for everyone.

Digital supports Impact Arts to do what we do best with greater ease and joy.

Throughout 2021/22, we have continued to progress our digital transformation. We have carried out a rebranding exercise to reflect our modern, forward-looking organisation and our new website is soon to be launched.

Following significant investment in our digital infrastructure, aimed at ensuring all staff can work and communicate in a hybrid working world, we have moved our IT systems to the cloud which has had the double benefit of supporting collaborative working and ensuring our systems are now cyber secure.

2022/23 will see us embark on phase 2 of our transformation and we will explore the integrations and apps which will support a joined up and seamless digital user journey – bringing “greater ease and joy” to our day to day working lives.

Our Homes

The Impact Arts Board took the decision to sell The Factory in Dennistoun in 2021. The Factory had been Impact Arts home for many years, yet it no longer felt fit for purpose and our ambitions had outgrown the potential that the space offered. Following extensive consultation throughout 2021/22, an exciting next stage in Impact Arts' journey was embarked upon and we moved into the Old Sheriff Court building in the heart of Glasgow's Merchant City. This signifies an important step for Impact Arts as we seek to ensure our services remain inclusive and accessible and take strides to develop our new social enterprise and Creative Engagement Youth Hub in the custom built facilities that exist there. Within weeks of relocating to this new space in January 2022, we began to see the benefits, as demand for our young people's programmes increased dramatically, new partnerships were forged, and our artists were able to utilise the facilities to showcase young people's work in the high quality surroundings.

We have also embarked upon a programme of improvements to our property in Irvine, to ensure the premises remains fit for purpose and can accommodate our growing projects in North Ayrshire.

Finance

For many years, Impact Arts has benefitted from support from a wide mix of funders, including a range of local authorities, a number of key trusts and foundations and has also been successfully awarded a number of key Scottish and local Government contracts. This funding, along with our strong partnerships has ensured that we not only remained viable as a charity but that we could respond to the pressing needs of the people and communities we serve. In 2021/22 we continued to benefit from this wide range

IMPACT ARTS (PROJECTS) LIMITED

(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

of support and our financial position was supported by a number of significant multi year contracts for which we entered our second and third year of delivery, notably CashBack for Communities, Life Changes Trust, National Lottery Community Fund and Skills Development Scotland - National Third Sector Challenge Fund & Employability Fund. These funds were invaluable in providing certainty and continuity of service delivery.

We embarked upon the year with a higher than usual level of brought forward income, reflecting the challenges experienced in the previous year of delivering to our maximum capacity due to Covid-19.

Despite setting a stand still budget, to reflect the challenging times, we have still managed to increase our turnover by 6.8% on the previous year. A large factor in this was the award of significant funding from UK Community Renewal Funding for work in North Ayrshire. The delayed funding decision resulted in the need to put systems and delivery in place to respond to this very quickly towards year end and work will carry through into 2022/23 as a result.

At March 2022, our year end position reflects that we will continue to carry forward higher than usual levels of restricted income for delivery in the next financial year - £467,627 (2021: £299,404). This reflects the timing of when funding has been awarded and will continue to be worked through into the next financial year.

Financial review

The Statement of Financial Activities on page 23 shows net income for the year of £183,610 (2021: £201,558). The total income was £2,169,873 (2021: £2,032,052) of which £1,637,027, was restricted to fund specific activities (2021: £1,677,677). The total expenditure for the year £1,986,263 (2021: £1,830,494) of which £1,469,198 was restricted (2021: £1,440,555).

Reserves policy

The total reserves held by Impact Arts at 31st March 2022 were £1,119,477 (2021: £935,867). Unrestricted funds totalled £651,850 (2021: £636,463). Restricted reserves totalled £467,627 (2021: £299,404).

The majority of restricted reserves that were carried forward into 2021/22 have been fully utilised during the year on programme activity and projects however we continue to carry forward a significant level of restricted income into 2022/23. This is on account of large grants being paid in advance and delivery timeframes straddling financial years. We anticipate this income being fully spent in the next financial year through planned delivery.

The trustees consider that the Charity ought to have an adequate level of free reserves equating to 3 months core running costs (excluding project delivery, but including permanent project delivery staff), which would be in the region of £312,000 for the coming year. This is required to bridge the potential funding gaps between spending on projects and receiving income as well as making an allowance for potential maternity and redundancy payments. In addition, we continue an increase within our reserves level to enable us to end direct support with children undertaking art therapy in an appropriate manner, ensuring they are linked into other services where required when our funding period comes to an end.

At 31st March 2022 there were a total of unrestricted reserves of £651,850, of which £553,588 is cash backed and £98,262 represents the net value of the freehold property (after the deduction of outstanding mortgages).

Within unrestricted funds there are designated reserves of £162,269 for future repairs and renewals at Impact Arts' Ayrshire property and to support ambitions for our Glasgow venue, a £95,871 development fund for new area/business streams to tie into the growth plan of the 2026 Strategy and £16,087 designated for a one off payment to all employee for cost of living support in 22/23 as well as £14,915 for specific project delivery in 2022/23.

IMPACT ARTS (PROJECTS) LIMITED

(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

This means that Impact Arts has free unrestricted reserves of £264,446 at 31st March 2022 (2021: £266,997). See also note 20 on page 36. The Trustees are satisfied that progress is being made to increase free reserves to the level required to meet the reserves policy and they consider the charity to have sufficient reserves to continue as a going concern for the next 12 months.

Designated Funds

A number of key areas for spend of designated funds have been identified. These are all designed to have a lasting legacy for Impact Arts and support our higher-level strategic aims.

Development Fund - a key focus is on diversifying our income streams, addressing the challenges posed by changes to Government policies and developing our Corporate Strategy. Designated development funds will additionally be allocated to external support for reviewing our policies and procedures, training and organisational accreditation ensuring Impact Arts remains financially robust, fit for purpose and reflects our future ambitions.

Property Development & Maintenance Fund - significant investment for property developments has been designated to reflect both the ongoing upgrading required at our Irvine property and also our ambitions for future developments at our Brunswick Street property. Developments will reflect our ambitions to increase our energy efficiency and reduce our carbon footprint.

Digital Development Fund – we continue to progress our digital transformation strategy and funds have been designated to allow us to implement a phase 2 of this journey, including a review of our CRM and evaluation systems, ensuring we remain a data informed organisation, cloud based integrations to increase efficiency and continuing to update our digital infrastructure as the team grows.

Cost of Living Crisis Support - in light of the cost-of-living crisis and economic pressures we are all experiencing as we move into autumn 2022, the Board of Impact Arts approved a small, one off payment to all staff to help ease the pressures facing them at this time.

Going concern

The Trustees and Key Management Personnel have assessed the potential future of Impact Arts (Projects) Ltd and whether it can continue as a going concern. The budget for 2022/23 has been prepared to include all approved funding in place for next year and any funding pending approval is being tracked. Forecasts have been sensitised to understand potential impact and identify available mitigations in the unlikely event that committed funding is not received. The Trustees are satisfied there remains sufficient liquidity during the going concern assessment period.

The Trustees have also recognised the continuing strong performance of Impact Arts throughout and beyond the Coronavirus pandemic and the ongoing success of the team in securing large scale funding for employability programmes during the transition to No One Left Behind, in which grant income has continued to be received from funders. New opportunities and growth areas continue to arise, and the track record of Impact Arts means we are well placed to respond to these.

After assessing all potential impacts and future commitments, considering the continued receipt of funding over the past 10 months in addition to the ongoing project activity to date, as well as considerable and thorough financial stress testing, the Trustees have a reasonable expectation that the charity has adequate resources and reserves to continue in operational existence for at least 12 months from date of signing. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

IMPACT ARTS (PROJECTS) LIMITED

(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

Future financial planning

As we look to 2022/23, we are mindful of the potential funding challenges that exist as local authorities seek to make savings and the longer-term impact of Brexit, Covid and rising inflation really take hold. We are content though, as we look to the year ahead, that we are starting the new financial year in a strong financial position which stands us in good stead.

Following a small increase in turnover in 2021/22, we are anticipating ongoing gradual growth into 2022/23 and have created a budget that reflects this. Demand for our work continues to grow and we are well placed to address the challenges that our people and communities are experiencing – high levels of unemployment, poor mental wellbeing and isolation and loneliness however we are aware that we will need to work hard to balance the needs of our communities versus the resource that is available to us as the country prioritises our economic recovery.

Governing document

Impact Arts is a Scottish Charity limited by guarantee with a governing document in its Memorandum & Articles of Association which was adopted by Resolution on 10th December 2012. The Memorandum and Articles of Association have undergone a full governance review during 2019 and revised Memorandum and Articles of Association were adopted as revised by means of a written resolution on 15 April 2020.

Recruitment and appointment of new trustees

The Board is committed to diversity in its recruitment and appointment of new Trustees. The Board have committed to ensuring greater representation of our participant groups at Board level and have ensured there was a Young Trustee on the Board since 2019 with this position currently held by Sofia Akram. Impact Arts' Board members are attracted and selected based on identified skills shortages as identified through our comprehensive Trustee Skills Matrix. This report captures essential and desirable skills (and the timing priorities) for new Trustees to fully ensure the Board has strength and depth in its governance role. There is a Trustee Information Pack which outlines the duties/responsibilities of a non-executive Board member, along with the expected time commitment attached to the position.

Board positions are advertised widely including the "Join us" section of Impact Arts website, social media and external job site boards. Pro bono support and executive search support these methods. Where specific skills gaps are identified, support from external Executive recruitment agencies is utilised to ensure the breadth and calibre of candidates is strong. A formal interview process is conducted with opportunities for potential Trustees to observe the Board prior to any formal offer being made. The attraction and selection process aims to be inclusive and transparent.

Following interview, successful candidates are made offers of Board appointment (subject to appropriate references and Disclosure Scotland checks). The Chair confirms the appointment, then acceptance of the offer is recorded formally (as per our governing document).

Induction and training of new trustees

A full induction process for new Trustees is evidenced and managed and guided by regulation and best practice from OSCR, SCVO (our membership organisation) and our Memorandum & Articles of Association. There is a full Board Induction Pack for new Trustees joining the Board. This is a useful source of key information and captures all relevant documents (relating to governance, strategy, code of conduct, duties and responsibilities) in one place. The Company Secretary is responsible for taking each new Trustee through this pack. Each new Trustee is allocated a Board mentor (a more established Trustee). This approach ensures that all Board members are responsible for induction and creates a collaborative approach within the Board. All new Trustees are invited to "meet the team" at one of our sites.

IMPACT ARTS (PROJECTS) LIMITED

(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

This gives each new Trustee the opportunity to meet the wider Leadership team, operational staff and build relationships and understanding at programme level.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Board of Trustees has overall responsibility for the operation of the company and charity. Their duties and responsibilities are captured in our Code of Conduct. The Board meets at least five times per year and our HR & Finance Committee meet ahead of each Board meeting on a quarterly basis to give further scrutiny to areas such as HR, Finance and Risk. The Board receives quarterly performance reports on our Balanced Scorecard that covers Key Performance Indicators in relation to Customers, Social Impact, Finance, Business Processes and Our People.

Annually, there is a separate session for the Board and leadership team to review the organisational strategy. The output of this review then refreshes our ongoing, longer term strategy development. Feedback is also used with the wider leadership team to ensure that Board direction is reflected in the operational plan.

Operational management of the organisation is delegated (through agreed powers and approved by the Board) to the leadership team.

The powers are categorised as follows: -

- Governance
- Planning and Performance
- HR and staff recruitment and training
- Programme development and delivery
- Fundraising and business development
- Operations
- Finance

Managers and staff have delegated authority to implement the charity's strategic business plan, within the terms of delegation approved by Trustees. They are supported by the Chair and the Board. Fiona Doring is the Chief Executive Officer of the charity with line management responsibility for the leadership team.

Risk management

The trustees, with support from Management, have conducted a review of the major risks to which the charity is exposed. A risk register drafted by the Leadership Team is reviewed and considered by the Finance & HR Committee on a quarterly basis with special focus on one theme per meeting to ensure an in depth and rigorous approach is taken to mitigating any identified risks. The Risk Register is also reported on to the full Board at quarterly meetings as part of our Governance papers. Where possible and appropriate, systems, procedures or action plans have been established to mitigate the risks the charity faces. Strategic planning has helped to identify risks to funding and enabled the organisation to address more effectively the need for the diversification of funding and activities. Risks are minimised by effective control procedures.

IMPACT ARTS (PROJECTS) LIMITED

(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

During 2021/22 the following key risks were identified:

- Covid-19 – significant risks to delivery, staffing, income and cashflow
- Brexit – loss of European funding and increased competition for other funds
- IT Failure/ Cyber security – potential business interruption due to cyber-attacks/ systems failure
- Changes to Government Policies – specifically a move to devolved local authority and UK Government funding e.g. NOLB
- Insufficient income to cover core costs – increased pressures on core costs from compliance/ safeguarding/ evaluation coupled with funders' reluctance to fund full cost recovery levels of core overheads
- Failure to meet outcome and output targets – specifically relating to contracts with a payment by results model

The following steps were taken to mitigate these risks:

- Ongoing review of Covid-19 procedures and regular review of service delivery and models of delivery to ensure they remained agile and responsive to any changes in Government policy on Covid
- Significant investment in our digital infrastructure, new laptops, phones and a move to cloud based systems with MFA
- Development of a corporate strategy to support funding of core overheads alongside development of new conference/ meeting venue social enterprise linked to our new building strategy
- Increased Business Development function to manage relationships across the local authorities where Impact Arts delivers services and to explore new funding opportunities
- Investment in Compliance Officer, Youth Workers and Opportunities Coordinator and staff training to ensure payment by results contracts achieved high outcomes and subsequent income

Key management personnel

During 2021/22, the Senior Management Team (Key Management Personnel) comprised of:

- Fiona Doring, Chief Executive Officer
- Mairi McLaren, Head of Finance and Corporate Services
- Sam Eccles, Deputy Director of Development
- Caroline McGhee, Head of Operations

Remuneration

HR and staff recruitment and training duties are delegated to the Leadership team. However, the Board retains its authority for setting the pay and remuneration of the charity's key management personnel. The Finance & HR Committee have delegated authority to review the remuneration package of the key management team on an annual basis. Where possible, job roles, content (duties and responsibilities) are externally benchmarked. This exercise is fully detailed in our People Plan and is consistent with the approach taken with the entire staff pay review process. Any recommendation on senior level pay is taken by the Finance & HR Committee to the full Board for approval.

IMPACT ARTS (PROJECTS) LIMITED

(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2022

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the Directors of Impact Arts (Project) Limited) for the purposes of company law), are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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 that period. In preparing the 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 judgements 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 charity will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


Statement of Disclosure to the Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- 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 auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

DocuSigned by:

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Name: James Sweeney

Date: 14 November 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF IMPACT ARTS (PROJECTS) LIMITED FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Impact Arts (Projects) Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2016; Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 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 Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Financial Statements. 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 or a material misstatement of other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF IMPACT ARTS (PROJECTS) LIMITED FOR THE YEAR ENDED 31 MARCH 2022

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the report of the trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the report of the trustees 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 Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 directors were not entitled to prepare financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF IMPACT ARTS (PROJECTS) LIMITED FOR THE YEAR ENDED 31 MARCH 2022

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations;

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Management bias in accounting estimates.
- Posting inappropriate journal entries.

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, trustees and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business;

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF IMPACT ARTS (PROJECTS) LIMITED FOR THE YEAR ENDED 31 MARCH 2022

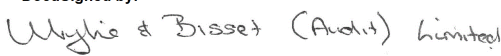
Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Claire Dalrymple, FCCA (Senior Statutory Auditor)
For and on behalf on Wylie & Bisset (Audit) Limited, Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

DocuSigned by:

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14 November 2022

Wylie & Bisset (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

IMPACT ARTS (PROJECTS) LIMITED
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2022
(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Income and endowments from:							
Donations and legacies	5	9,469	17,800	27,269	10,230	1,169	11,399
Charitable activities	6	522,957	1,619,070	2,142,027	246,165	1,676,498	1,922,663
Investments	7	420	-	420	359	10	369
Other incoming resources	8	-	157	157	97,621	-	97,621
Total Income		532,846	1,637,027	2,169,873	354,375	1,677,677	2,032,052
Expenditure on:							
Raising funds							
Raising donations & legacies	9	-	39,518	39,518	-	37,081	37,081
Charitable activities	10	517,065	1,429,680	1,946,745	389,939	1,403,474	1,793,413
Total Expenditure		517,065	1,469,198	1,986,263	389,939	1,440,555	1,830,494
Net income / (expenditure) for the year		15,781	167,829	183,610	(35,564)	237,122	201,558
Transfers between funds		(394)	394	-	-	-	-
Net movement in funds		15,387	168,223	183,610	(35,564)	237,122	201,558
Funds reconciliation							
Total Funds brought forward	19, 20	636,463	299,404	935,867	672,027	62,282	734,309
Total Funds carried forward	19, 20	651,850	467,627	1,119,477	636,463	299,404	935,867

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

IMPACT ARTS (PROJECTS) LIMITED**BALANCE SHEET AS AT 31 MARCH 2022**

		2022	2021
	Note	£	£
Fixed assets:			
Tangible assets	15	117,767	287,682
Current assets:			
Debtors	16	218,019	158,885
Cash at bank and in hand	23	925,120	650,597
Total Current assets		<u>1,143,139</u>	<u>809,482</u>
Liabilities:			
Creditors falling due within one year	17	<u>(126,878)</u>	<u>(123,875)</u>
Net Current assets		1,016,261	685,607
Creditors: Amounts falling due after more than one year	18	(14,551)	(37,422)
Net assets		<u>1,119,477</u>	<u>935,867</u>
The funds of the charity:			
Unrestricted funds	19	651,850	636,463
Restricted funds	20	<u>467,627</u>	<u>299,404</u>
Total charity funds		<u>1,119,477</u>	<u>935,867</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Approved by the trustees on 14 November 2022 and signed on their behalf by:

DocuSigned by:

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Name: James Sweeney

Charity No: SC225422

IMPACT ARTS (PROJECTS) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	22	<u>152,671</u>	<u>262,851</u>
Cash flows from investing activities:			
Interest and rents received		420	369
Interest paid		(3,175)	-
Proceeds from sale of property, plant and equipment		155,490	-
Net cash provided by investing activities		<u>152,735</u>	<u>369</u>
Cash flows from financing activities:			
Repayment of mortgage		(30,883)	(10,992)
Net cash (used in) financing activities		<u>(30,883)</u>	<u>(10,992)</u>
Change in cash and cash equivalents in the year		<u>274,523</u>	<u>252,228</u>
Cash and cash equivalents brought forward	23	650,597	398,369
Cash and cash equivalents carried forward	23	<u>925,120</u>	<u>650,597</u>

Analysis of net debt

	Note	1 st April 2021 £	Cashflow £	31 st March 2022 £
Cash & cash equivalents	23	650,597	274,523	925,120
Borrowings				
Mortgage due within one year	17	(12,966)	8,012	(4,954)
Mortgage due after one year	18	(37,422)	22,871	(14,551)
Total net cash		<u>600,209</u>	<u>305,406</u>	<u>905,615</u>

IMPACT ARTS (PROJECTS) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charitable company constitutes a public benefit entity as defined by FRS 102.

The charitable company's functional currency is sterling. Amounts in the financial statements are rounded to the nearest £.

(b) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

(c) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in notes 19 & 20.

(d) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition is met.

(e) Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from banks and other third parties.

IMPACT ARTS (PROJECTS) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies (continued)

Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and trade creditors, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in profit or loss.

Financial liabilities are derecognised when the liability is extinguished, that is what the contractual obligation is discharged, cancelled or expires.

(f) Expenditure recognition

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.

(g) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(h) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on time spent. The allocation of support and governance costs is analysed in note 11.

(i) Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised, including any incidental expenses of acquisition and valued at historical cost. All incidental costs relating to the acquisition of the property are also fully depreciated in the year of acquisition. Depreciation is charged as follows:

Freehold property	-	2% on cost
Fixtures, Fittings & Equipment	-	25% on cost

(j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

IMPACT ARTS (PROJECTS) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies (continued)

(l) Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant, property and equipment are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount which is the higher of the value in use and the fair value less cost to sell, is estimated and compared with the carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the profit and loss.

(m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(n) Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as they are incurred over the term of the lease.

(o) Taxation

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

(p) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

2. Judgements and key sources of estimation uncertainty

In the application of the 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Key estimations are detailed below:

Depreciation – Fixed assets are depreciated over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of the directors, with reference to assets expected life cycle.

3. Legal status of the Trust

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

IMPACT ARTS (PROJECTS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

4. Related party transactions and trustees' expenses and remuneration

The Trustees' all gave their time and expertise freely without any form of reimbursement or other benefit in cash or kind (2021: £nil). During the year, no Trustees received expenses relating to travel (2021: £nil). There were no trustee donations or other benefits for the year ended 31 March 2022 (2021: £Nil).

There were no trustees' expenses due or waived for the year ended 31 March 2022 (2021: £Nil).

No Trustees received any remuneration during the year (2021: £nil).

5. Income from donations and legacies

	2022	2021
	£	£
Donations	27,269	10,637
Miscellaneous Income	-	762
	<u>27,269</u>	<u>11,399</u>

6. Income from charitable activities

	2022	2021
	£	£
Children	241,054	98,453
Young People	1,445,114	1,472,080
Older People	152,592	138,331
Communities	303,267	213,799
	<u>2,142,027</u>	<u>1,922,663</u>

7. Investment income

	2022	2021
	£	£
Interest on cash deposits	420	369
	<u>420</u>	<u>369</u>

8. Other incoming resources

	2022	2021
	£	£
Coronavirus Job Retention Scheme	157	97,621
	<u>157</u>	<u>97,621</u>

9. Raising Funds – expenditure on raising donations and legacies

	Total	Total
	2022	2021
	£	£
Staff costs	39,518	37,081
	<u>39,518</u>	<u>37,081</u>

IMPACT ARTS (PROJECTS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

10. Analysis of expenditure on charitable activities

	Children	Young People	Older People	Communities	Total 2022
	£	£	£	£	£
Project costs	141,264	1,035,926	109,871	282,524	1,569,585
Governance costs (note 11)	1,634	14,294	2,042	2,450	20,420
Support costs (note 11)	12,137	305,630	19,450	19,523	356,740
	<u>155,035</u>	<u>1,355,850</u>	<u>131,363</u>	<u>304,497</u>	<u>1,946,745</u>

	Children	Young People	Older People	Communities	Total 2021
	£	£	£	£	£
Project costs	64,746	977,992	98,382	165,876	1,306,996
Governance costs (note 11)	1,992	17,290	2,157	2,460	23,899
Support costs (note 11)	32,406	367,135	28,621	34,356	462,518
	<u>99,144</u>	<u>1,362,417</u>	<u>129,160</u>	<u>202,692</u>	<u>1,793,413</u>

11. Allocation of governance and support costs

	Total 2022	Children	Young People	Older People	Communities	Governance	Basis
	£	£	£	£	£	£	
Staff costs	248,495	2,484	221,161	4,970	7,455	12,425	Time spent
Other costs	120,670	9,653	84,469	14,480	12,068	-	Time spent
	<u>369,165</u>	<u>12,137</u>	<u>305,630</u>	<u>19,450</u>	<u>19,523</u>	<u>12,425</u>	

	Total 2021	Children	Young People	Older People	Communities	Governance	Basis
	£	£	£	£	£	£	
Staff costs	327,982	2,226	292,888	5,362	11,107	16,399	Time spent
Other costs	150,935	30,720	74,247	23,259	22,709	-	Time spent
	<u>478,917</u>	<u>32,946</u>	<u>367,135</u>	<u>28,621</u>	<u>33,816</u>	<u>16,399</u>	

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the tables below:

Governance costs:	2022	2021
	£	£
Non-audit work	-	1,500
Auditor's remuneration	7,995	6,000
Support costs (see above)	12,425	16,399
	<u>20,420</u>	<u>23,899</u>

IMPACT ARTS (PROJECTS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

11. Allocation of governance and support costs (continued)

Breakdown of governance and support costs by activity:

	Support Costs	Governance	2022 £
Children	12,137	1,634	13,771
Young People	305,630	14,294	319,924
Older People	19,450	2,042	21,492
Communities	19,523	2,450	21,973
	<u>356,740</u>	<u>20,420</u>	<u>377,160</u>

	Support Costs	Governance	2021 £
Children	32,946	1,992	34,938
Young People	367,135	17,290	384,425
Older People	28,621	2,157	30,778
Communities	33,816	2,460	36,276
	<u>462,518</u>	<u>23,899</u>	<u>486,417</u>

12. Analysis of staff costs and remuneration of key management personnel

	2022 £	2021 £
Salaries and wages	1,291,649	1,271,071
Social security costs	93,365	96,146
Pension costs	53,969	55,388
Total staff costs	<u>1,438,983</u>	<u>1,422,605</u>

No employees had employee benefits in excess of £60,000 (2021: Nil).

	2022 No.	2021 No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>72</u>	<u>71</u>

	2022 £	2021 £
Key management personnel remuneration:	<u>180,846</u>	<u>185,521</u>

13. Net income for the year

	2022 £	2021 £
This is stated after charging / (crediting):		
Depreciation	7,530	9,817
Auditor's remuneration:		
Audit fees	7,995	6,000
Auditors' remuneration for non-audit work	-	1,500
Loss / (Profit) on disposal of fixed assets	<u>6,895</u>	<u>-</u>

IMPACT ARTS (PROJECTS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

14. Government Grants

	2022 £	2021 £
Business Support Grant - Local Authorities	-	17,500
City of Edinburgh Council CCP	104,930	70,000
Digital Transformation Fund- Scottish Enterprise	-	96,000
Edinburgh City Council	5,294	3,685
Edinburgh City Council - Communities & Families	33,659	17,317
Glasgow City Council	22,151	2,772
Glasgow City Council (Counselling)	91,251	900
Glasgow Communities Fund	41,586	20,228
Government Grants Plus Agencies	-	21,134
HMRC Job Retention scheme	157	97,622
Local Authorities Grants	-	9,325
North Ayrshire Council	401,863	9,665
Renfrewshire Council	53,221	30,000
Total	<u>754,112</u>	<u>396,148</u>

15. Tangible Fixed Assets

	Fixtures, fittings and Equipment	Plant & Machinery	Motor Vehicles	Total
Cost or valuation				
At 1 April 2021	279,810	10,720	44,396	334,926
Additions	-	-	-	-
Disposals	(164,810)	-	(10,773)	(175,583)
At 31 March 2022	<u>115,000</u>	<u>10,720</u>	<u>33,623</u>	<u>159,343</u>
Depreciation				
At 1 April 2021	-	2,848	44,396	47,244
Charge for the year	5,563	1,967	-	7,530
Eliminated on disposal	(2,425)	-	(10,773)	(13,198)
At 31 March 2022	<u>3,138</u>	<u>4,815</u>	<u>33,623</u>	<u>41,576</u>
Net book value				
At 31 March 2022	<u>111,862</u>	<u>5,905</u>	<u>-</u>	<u>117,767</u>
At 31 March 2021	<u>279,810</u>	<u>7,872</u>	<u>-</u>	<u>287,682</u>

A fair value of £111,862 (2021: £279,810) for free hold property. Upon annual review there has been no change in value in the properties held. The Trustees deem the financial statements reflect appropriate market value at 31 March 2022.

IMPACT ARTS (PROJECTS) LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022****16. Debtors**

	2022	2021
	£	£
Trade debtors	121,138	23,183
Other debtors	96,881	135,702
	<u>218,019</u>	<u>158,885</u>

17. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade Creditors	8,754	20,389
Social Security	27,383	20,161
Mortgage	4,954	12,966
VAT	2,002	4,877
Accruals	39,570	37,770
Other Creditors	44,215	27,712
	<u>126,878</u>	<u>123,875</u>

18. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Mortgage	14,551	37,422
	<u>14,551</u>	<u>37,422</u>

Mortgage

	2022	2021
	£	£
Due:		
In one year or less	4,954	12,966
Between one and two years	5,130	12,966
Between two and five years	9,421	24,456
	<u>19,505</u>	<u>50,388</u>

Triodos Bank holds standard securities for all sums due over all the heritable properties of the charity.

IMPACT ARTS (PROJECTS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

19. Unrestricted Funds

Analysis of Fund movements - 2022	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted funds					
Designated funds:					
Committed funds	6,350	-	-	8,565	14,915
Tangible fixed assets	237,294	-	7,530	(131,502)	98,262
Development fund	54,298	-	18,427	60,000	95,871
Cost of living crisis support	-	-	-	16,087	16,087
Property maintenance	67,311	-	5,042	100,000	162,269
Covid wellbeing and adoptions	4,213	-	4,213	-	-
	369,466	-	35,212	53,150	387,404
General funds	266,997	532,846	481,853	(53,544)	264,446
Total unrestricted funds	636,463	532,846	517,065	(394)	651,850

Analysis of Fund movements - 2021	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted funds					
Designated funds:					
Committed funds	4,082	-	-	2,268	6,350
Tangible fixed assets	298,198	-	51,069	(9,835)	237,294
Development fund	57,898	-	3,600	-	54,298
Property maintenance	67,311	-	-	-	67,311
Covid wellbeing and adoptions	10,000	-	5,787	-	4,213
	437,489	-	60,456	(7,567)	636,465
General funds	234,538	24,894	-	7,567	266,999
Total unrestricted funds	672,027	24,894	60,456	-	636,465

The nature and purposes of the various designated funds are as follows:

Committed fund – represents unrestricted cash backed committed funds for delivery of a small number of projects to continue and complete early in the next financial year.

Tangible fixed asset fund – represents the net book value of the charity's unrestricted assets.

Development fund – represents funds for new areas/business streams to tie in with the growth plan in the 2026 strategy.

Property maintenance- designed to cover anticipated repairs and renewals at Impact Arts' Ayrshire property and to support ambitions for Glasgow venue.

General fund - this can be used in accordance with the charitable objectives at the discretion of the trustees.

Covid wellbeing and adoptions – funds designated to support with staff wellbeing as we transition away from the Covid pandemic.

Cost of living crisis support – in light of the cost-of-living crisis and economic pressures we are all experiencing as we move into Autumn 2022, the Board of Impact Arts approved a small, one-off payment to all staff to help ease the pressures facing them at this time.

IMPACT ARTS (PROJECTS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

20. Restricted Funds

Analysis of Fund movements - 2022	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Restricted funds					
Art Therapy Glasgow	32,681	91,251	61,562	304	62,674
Art Therapy North Ayrshire	-	96,302	74,193	-	22,109
Creative Pathways	17,869	326,584	318,677	90	25,866
Coco Music Project	26,938	61,378	66,803	2,487	24,000
Express Yourself	-	10,356	7,869	(2,487)	-
Makers Mentoring Programme	11,070	23,521	34,591	-	-
Make It Your Own	99,243	212,562	240,473	-	71,332
Dumbarton Rocks	14,420	-	12,517	-	1,903
Craft Café	21,463	101,966	104,147	-	19,282
Listening Fund	1,511	-	1,000	-	511
Digital Developments	67,004	1,100	19,264	-	48,840
Creative Play	7,205	-	7,205	-	-
Velcro Poetry	-	13,000	846	-	12,154
Community Renewal Fund	-	327,863	160,675	-	167,188
Coronavirus Job Retention Scheme	-	157	157	-	-
CashBack to the Future	-	364,553	354,553	-	10,000
St Marks Shettleston	-	6,434	4,666	-	1,768
Total restricted funds	299,404	1,637,027	1,469,198	394	467,627

Analysis of Fund movements - 2021	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Restricted funds					
Art Therapy Project	19,735	12,946	-	-	32,681
Creative Pathways	1,136	16,733	-	-	17,869
Coco Music Project	3,936	23,002	-	-	26,938
Express Yourself	3,440	-	(3,440)	-	-
Makers Mentoring Programme	-	11,070	-	-	11,070
Make It Your Own	18,093	81,150	-	-	99,243
Dumbarton Rocks	14,420	-	-	-	14,420
Craft Café	-	21,463	-	-	21,463
Listening Fund	1,522	-	(11)	-	1,511
Creative Play Edinburgh	-	3,520	-	-	3,520
Digital Developments	-	67,004	-	-	67,004
Creative Play	-	3,685	-	-	3,685
Total restricted funds	62,282	240,573	(3,451)	-	299,404

IMPACT ARTS (PROJECTS) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

20. Restricted Funds (continued)

The nature and purposes of the various restricted funds are as follows:

Art Therapy Project – The Art Therapy Project provides a range of one-to-one art therapy and creative therapeutic groupwork projects delivered in schools and from our own dedicated spaces across Glasgow and North Ayrshire designed to increase the resilience and confidence of our most vulnerable children. Our art therapy sessions offer a safe relaxed space for children to express themselves through creativity and play and an art therapist offer support that identifies strengths and coping mechanisms.

CashBack to the Future – this connects under supported 12-19 year olds, with high quality, fun and varied creative learning opportunities delivered year round via local hubs and an intensive 4 year Summer programme Using Creativity as a hook to engagement, Cashback to the Future provides alternative opportunities for young people to express themselves, gain skills, learn and realise personal growth.

Coronavirus Job Retention Scheme – funding received from the Government in respect of furloughed employees.

Coco Music Project – delivered within HMYOI Polmont talented musicians, songwriters and artists work with young people as part of their onward progression. The therapeutic experience of learning how to play instruments, write and record songs, and all aspects of DJ-ing helps participants to gain a sense of purpose, have a voice, reconnect with families and start to think more positively about future life choices.

Craft Café - the café creates a safe, social space, with which harnesses the joy of creativity, artistic expression, and learning, and encourages older people to reduce social networks, connect with their community and grow in confidence.

Creative Pathways – a programme for unemployed 16–26-year-olds. Working with young people to remove barriers to employment, a Lead Artist, Youth Worker and Opportunities Support worker encourage personal development and growth and develop employability skills.

Creative Play - engages primary school children in creative outdoor pursuits which is still a lot of playing outside. Children are encouraged to interact with natural found materials and their local green spaces. The work is designed to spark imaginations of children, allowing them to explore new ideas and activities, which are fun and designed to increase physical activity and engagement with the environment.

Community Renewal Fund – funded by UK Government, the project expanded our employability, enterprise and environmental work in North Ayrshire as well develop the skills and expertise of local artists, providing valuable opportunities for them to engage with their local communities on matters of importance to them.

Digital Developments - we have embarked on an exciting program of digital development which will set us in good stead for the future. This includes work to redesign our branding website, consultation to inform a full digital roadmap and plans to migrate our digital systems to the cloud.

Dumbarton Rocks - a partnership project with Historic Environment Scotland, aimed at engaging local people with their heritage and specifically Dumbarton Castle.

Express Yourself – a creative project working with care experienced young people in North Ayrshire. Through a mix of fun, arts activities, individuals will be supported to use creativity to develop their voice so that they can express themselves and develop their personal and artistic skills and ambitions for the future.

IMPACT ARTS (PROJECTS) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

20. Restricted Funds (continued)

Listening Fund – a programme of work, supported by Corra Foundation, that sought to embed a culture of listening within Impact Arts. It aimed to ensure that participant voices were at the heart of decision making and that feedback loops were in place to share how ideas were considered and implemented in our decision making.

Make It Your Own - creative interior design project for those with care experience. This tenancy sustainability program provides bespoke support that helps young people take ownership of their tenancy and develop and make it in the sale. Participants benefit from practical decorating, support and equipment and home improvement projects as well as life, skills, training, and support to set goals for the future, one step at a time.

Makers Mentoring Programme: Ayrshire - engaging artists, and makers who are currently unemployed or underemployed, by providing a structured training program and hands on experience in community engagement practice. As a result, and whilst engaging members of their local community, participants become equipped with the tools and skills needed to have a viable and sustainable career with participatory and community settings, and or to supports the development of a self-employed portfolio career.

St Marks Shettleston – a local creative consultation with young people, designed to inform and shape a public artwork for a prominent wall in Shettleston.

Velcro Poetry – a partnership with North Ayrshire Council, Creative Scotland and Education Scotland, using the arts alongside poetry to encourage primary children to express themselves in local dialect.

IMPACT ARTS (PROJECTS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

21. Net assets over funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Fixed assets	117,767	-	117,767
Debtors	164,555	53,464	218,019
Cash	510,957	414,163	925,120
Current liabilities	(126,878)	-	(126,878)
Long term liabilities	(14,551)	-	(14,551)
	<u>651,850</u>	<u>467,627</u>	<u>1,119,477</u>

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Fixed assets	287,682	-	287,682
Debtors	158,885	-	158,885
Cash	351,193	299,404	650,597
Current liabilities	(123,875)	-	(123,875)
Long term liabilities	(37,422)	-	(37,422)
	<u>636,465</u>	<u>299,402</u>	<u>935,867</u>

22. Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per the Statement of Financial Activities)	183,610	201,558
Adjustments for:		
Loss on disposal of fixed assets	6,895	51,069
Depreciation charges	7,530	9,817
Dividends, interest and rents from investments	(420)	(369)
Interest payable	3,175	-
(Increase) / decrease in debtors	(59,134)	81,499
Increase / (decrease) in creditors	11,015	(80,723)
Net cash provided by operating activities	<u>152,671</u>	<u>262,851</u>

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	925,120	650,597
Total cash and cash equivalents	<u>925,120</u>	<u>650,597</u>

IMPACT ARTS (PROJECTS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

24. Operating Lease Commitments

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Property		Photocopier	
	2022	2021	2022	2021
	£	£	£	£
Under 1 year	2,388	1,289	2,388	-
Between 2 and five years	7,164	-	7,164	-
Over 5 years	199	-	199	-
	<u>9,751</u>	<u>1,289</u>	<u>9,751</u>	<u>-</u>

25. Employee benefit obligations

Employees of the charity are entitled to join a defined contribution pension scheme, the assets of which are held in a separate fund and managed separately by each employee. The charity contributes 5% of pensionable salary. The pension costs during the year amounted to £53,969 (2021: £55,388) with amounts outstanding at 31 March 2022 totalling £8,283 (2021: £7,973).