

AESOP ARTS AND SOCIETY LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022**

**The MGroup Partnership
Registered Auditors
4 Witan Way
Witney, Oxon
OX28 6FF**



**Company Registration Number: 06998306
Registered Charity Number: 1134572**

AESOP ARTS AND SOCIETY LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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AESOP ARTS AND SOCIETY LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES AND DIRECTORS

Professor K Fenton CBE
Mr P Daniel
Ms E Gladstone
Mrs H Gordon
Mr M Hampton
Ms J Thornton
Mrs J E Casson (appointed 4 January 2022)

COMPANY SECRETARY

The company does not have an appointed secretary.

REGISTERED OFFICE

Wittas House
Two Rivers
Station Lane
Witney
Oxfordshire
OX28 4BH

COMPANY REGISTRATION NUMBER

06998306 England and Wales

CHARITY REGISTRATION NUMBER

1134572 England and Wales

AUDITORS

The MGroup Partnership
Registered Auditors
4 Witan Way
Witney
Oxon
OX28 6FF

AESOP ARTS AND SOCIETY LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees are pleased to present the annual report and financial statements of the charitable company for the year ended 31st March 2022. These statements have been prepared also to meet the requirements for a directors' report and accounts for Companies Act purposes.

This report covers:

- Reference and administration details
- Directors, Trustees and key management personnel
- Aesop's vision, aims and charitable objects
- Activities: achievements and performance
- Activities: delivering public benefit
- Activities: future plans
- Aesop's governance, management, clients and funders
- Financial review

REFERENCE AND ADMINISTRATION DETAILS

The charity's name is Aesop Arts and Society Limited.

Charity Registration Number: 1134572
Company Number: 06998306

Registered Office: Wittas House
Two Rivers
Station Lane
Witney
Oxfordshire
OX28 4BH

DIRECTORS, TRUSTEES AND KEY MANAGEMENT PERSONNEL

The Directors of the charitable company (the charity) are its Trustees for the purposes of charity law. The Trustees and officers who served during the year and since the year end were as follows:

Trustees: Professor K Fenton CBE
Ms J Casson (appointed 4 January 2022)
Mr P Daniel
Ms E Gladstone
Mrs H Gordon
Mr M Hampton
Ms J Thornton

Chief Executive & Founder: Mr T Joss

AESOP ARTS AND SOCIETY LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

AESOP'S VISION, AIMS AND CHARITABLE OBJECTS

This was the third full year of Aesop's 2019-25 plan.

Aesop's vision is 'A future when arts solutions for society's problems are valued and available for all who need them'. The tagline 'Arts solutions for society's problems' is used.

To realise the vision, Aesop is focused on four aims:

1. Develop arts solutions based on social needs.
2. Show health, care and other sectors how the arts can work for them.
3. Accelerate the pace of adoption of arts solutions.
4. Develop research and practice networks for arts solutions.

A key concept is the 'aesop', an arts enterprise with a social purpose with the following characteristics:

It works

- Sustainable model
- Evidence-based
- Effective and cost-effective

It meets a need

- Addresses a major social challenge
- Citizen demand (e.g. "patient pull" in health)
- Can fit into a service provided by the other sector (eg. patient pathway in health)

It can become a universal service

- "Available in my area"/scalable
- Of consistent quality
- Place-based/culturally sensitive/locally co-designed

Aesop's charitable objects, as recorded on the Charity Commission website, are: 'Education/training; The Advancement Of Health Or Saving Of Lives; Arts/culture/heritage/science'.

ACTIVITIES: ACHIEVEMENTS AND PERFORMANCE

The Aesop 2019-25 plan includes a logic model to deliver the vision and aims. This consists of an overview, aims, context, inputs, activities, outputs, outcomes, logic and indicative key performance indicators.

Aesop's overview is that, while the arts sector believes in the arts' power to transform lives, other sectors are not convinced. Aesop provides leadership on arts solutions for society's problems which are valued and available for all who need them. It currently focuses on arts and health and arts and criminal justice, and will later apply its experience and expertise to other sectors. Aesop's chosen drivers for change are bridge-building between the arts and other sectors, exemplar programmes and their accelerated take-up, continuing professional development, research, knowledge transfer and policy development.

ACTIVITIES: ACHIEVEMENTS AND PERFORMANCE (continued...)

Evidence of the need to convince the health sector is provided in the 2017 'Creative Health' report of the All-Party Parliamentary Group for Arts, Health and Wellbeing. It concluded that *'the United Kingdom is still very far from realising more than a small modicum of the potential contribution of the arts to health and wellbeing'* [page 4]. It traces *'the recent history of the arts interacting with health and wellbeing'* back to the early 1970s [page 21]. This situation has therefore existed for nearly 50 years.

Delivering Aim 1: Develop arts solutions based on social needs

Dance to Health

Dance to Health <https://dancetohealth.org> is a demonstrator programme. It aims to show that an 'aesop' – arts enterprise with a social purpose – can be shown to work, meet a need and become a universal service. Dance to Health addresses the major health challenge of older people's falls. It is not well understood that older people's falls are common and traumatic. They are a major cause of pain and injury, and destroy confidence, increase isolation and reduce independence. They are also a major challenge for the NHS and social care. One third of people aged 65 plus, and half of people aged 80 plus, have a major fall at least once a year. Falls cost the NHS £2.3 billion a year. The NHS commissions evidence-based, 26-week exercise programmes, called Otago and FaME. These can significantly reduce falls but researchers have found major problems with delivery: the programmes are 'dull', completion rates are low, provision is patchy and follow-on maintenance programmes are vital but rare.

A 2020 evaluation by Sheffield Hallam University concluded that Dance to Health 'offers the health system an effective and cost-effective means to address the issue of older people's falls.' This and other reports on the programme are available here: <https://ae-sop.org/resources>.

Highlights of Dance to Health's 2021-22 progress as an 'aesop' were:

➤ It works

- Sustainable model
 - Health sector contracts worth £194,950 were awarded in 2021-22, up from £90,273 in 2020-21.
 - Artistically sustainable: Dance to Health had 30 Dance Artists and 9 Assistant Dance Artists at 31 March 2022 and during the year 7 new Dance Artists gained the relevant Postural Stability Instructor falls prevention exercise qualification.
- Evidence-based
 - Continued use of the Sheffield Hallam University evaluation.
- Effective and cost-effective
 - Older people's falls reduced by 58%.
 - 96% of participants reported improved mental wellbeing.
 - 96% of participants reported they had become more physically active.
 - 87% made new friends.
 - Fidelity to the NHS-commissioned 26-week programmes, Otago and FaME confirmed.
 - Potential financial and social return on investment of £2.89 for every £1 invested.

ACTIVITIES: ACHIEVEMENTS AND PERFORMANCE (continued...)

- It meets a need
 - Addresses a major social change
 - Older people's falls are a major challenge for the health and social care system.
 - Citizen demand (e.g. 'patient pull' in health)
 - The NHS Friends & Family Test is a recognised and well-used means of rating a service. Dance to Health scored highly (98%).
 - Can fit into a service provided by the other sector (e.g. patient pathway in health)
 - During the year Dance to Health delivered contracts for Birmingham City Council Social Services, two NHS University Health Boards in Wales (Hywel Dda and Swansea Bay) and Walsall Council Public Health.
- It can become a universal service
 - 'Available in my area'/scalable
 - The National Online programme is available to all with internet access.
 - Live online sessions were delivered as part of the Walsall Council contract.
 - DVDs are available to those unable to access neither face-to-face nor online live sessions.
 - Proactive engagement with disadvantaged communities – for example, this is a key element of the Birmingham City Council contract.
 - Of consistent quality
 - A Quality Assurance framework is in place.
 - Place-based/culturally sensitive/locally co-designed
 - Participants are involved in the choice of music, imaginary scenarios and everyday movements which can be used as a springboard for dance moves and choreography.

Arts and Criminal Justice

Early work was undertaken on a second potential 'aesop'. At the request of Her Majesty's Prison and Probation Service's Chief Probation Officer, initial work was undertaken on using the arts to reduce reoffending amongst women on short-term sentences and the associated issues of trauma and substance misuse.

ACTIVITIES: ACHIEVEMENTS AND PERFORMANCE (continued...)

Delivering Aim 2: Show health, care and other sectors how the arts can work for them

This aim was delivered in two ways: the third annual survey of GPs' attitudes to the arts and a new online platform promoting arts and health programmes to the health sector and general public.

Annual survey of health attitudes to the arts

Aesop commissions Savanta ComRes, the research consultancy, to undertake annual surveys of GPs' attitudes to the arts. Because of COVID-19 it was decided not to conduct a survey in 2020. The headline results of the 2021 survey were that nearly half of GPs believe the arts can be a cost-effective way to deliver primary care to the public. The majority also believe public engagement with the arts can make a significant contribution to the prevention agenda. However, very few actually refer patients to arts interventions. This is due to a lack of GP awareness of programmes and a lack of evidence of impact. Tim Joss, Aesop's Chief Executive and Founder commented that the survey results presented "a clear challenge to the arts sector. It must communicate more effectively with health. Health needs well-evidenced arts programmes, just as it needs well-evidenced pills, physiotherapy and Covid vaccines. The message is this: evaluate the health improvements of your programme and shout positive results from the rooftops. If we do this, our voices will be heard, our work will be taken up by the health system and, most importantly, our participants and audiences will enjoy better health."

Online platform: <https://prescribe-arts.org>

This was developed during the year with funding from the National Lottery Community Fund and Arts Council England. The aim of the platform is to enable social prescribers and members of the public to find high quality arts programmes that make a difference to people's health and wellbeing. It is also a place where organisations running arts organisations can get the support they need to develop their health programmes. Three arts organisations, Live Music Now, The Reader and Sing to Beat helped shape its development. By the end of the year, 30 arts organisations had joined.

Delivering aim 3: Accelerate the pace of adoption of arts solutions

It was decided to focus on Dance to Health's transition from innovation to social enterprise.

Delivering Aim 4: Develop research and practice networks for arts solutions

Early work was undertaken to bring together and support the arts organisations featured on the online platform <https://prescribe-arts.org>. It aims to be a Community of Practice, enabling members to develop their artistic, health and social impact and grow their earned income.

Aesop delivered its first consultancy project. This was for Puppets With Guts [PWG] which, in its own words, 'creates big bold outdoor puppetry'. Aesop trained PWG to use 'Active Ingredients: The Aesop Planning and Evaluation Model For Arts with a Social Purpose' framework (see <https://ae-sop.org/resources>) to help PWG communicate the artistic power of their work to their local community. It also assisted PWG to develop a Theory of Change, use it as an evaluation tool, communicate evaluation results and use the evaluation process to grow as an organisation.

AESOP ARTS AND SOCIETY LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

ACTIVITIES: DELIVERING PUBLIC BENEFIT

The Trustees confirm that they have complied with their duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Aesop provides public benefit through programmes which directly involve the public (Dance to Health) and which develop knowledge (all other Aesop initiatives).

ACTIVITIES: FUTURE PLANS

In line with Aesop's 2019-25 Plan, Aesop's work programme for 2022-23 consists of:

Aesop overall

- A programme of Aesop corporate development, starting with Equality, Diversity and Inclusion. (Later topics include quality assurance and control, generating social value and being transparent about this, and a consistent approach to project management, including KPIs, timelines and systems).

Arts solutions

- Dance to Health business growth and development of its dance dimension.
- Further work on the arts and criminal justice 'aesop'.
- Preliminary work on developing an arts and education 'aesop'.

For health decision makers

- Fourth survey of GP attitudes to the arts.

Develop research and practice networks - 'Aesop Institute'

- Launch and roll-out of <https://prescribe-arts.org>.
- Development of the Community of Practice.
- Expansion of the consultancy service.

AESOP'S GOVERNANCE, MANAGEMENT, CLIENTS AND FUNDERS

GOVERNING DOCUMENT

Aesop Arts and Society Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 21 August 2009. It is registered as a charity with the Charity Commission. Members of the charitable company guarantee to contribute amounts not exceeding £1 to the assets of the charitable company in the event of winding up.

AESOP ARTS AND SOCIETY LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

AESOP'S GOVERNANCE, MANAGEMENT, CLIENTS AND FUNDERS (CONTINUED...)

TRUSTEES' RESPONSIBILITIES, RECRUITMENT AND INDUCTION

The directors keep the composition of the board under review and seek to appoint additional members with appropriate skills and expertise should the need arise.

EXECUTIVE TEAM

Aesop has a team of 8 salaried staff, 39 freelance dance artists and 14 regular volunteers in addition to Board members. Trustees are pleased to record their appreciation for the team's commitment, hard work and resourcefulness.

RISK MANAGEMENT

The directors have considered the major risks to which the charitable company is exposed and have established appropriate systems to mitigate these risks.

COMMUNICATIONS

Aesop's websites:

- <https://ae-sop.org>
- <https://dancetohealth.org>
- <https://prescribe-arts.org>

Twitter accounts:

- @AesopHealth
- @Dance_to_Health

CLIENTS AND FUNDERS

Aesop records its profound appreciation to its clients and funders.

- Older people participating in Local Dance to Health Groups and the Dance to Health National Online programme.
- Anchor Hanover Housing Association
- Arts Council England
- Arts Council Wales
- Birmingham City Council Adult Social Services
- Dulverton Trust
- ExtraCare Charitable Trust
- Focus Birmingham
- NHS Hywel Dda University Health Board
- NHS Swansea Bay University Health Board, five Swansea Bay GP Clusters and Swansea Bay Health Charity
- Oak Foundation
- Paul Hamlyn Foundation
- Walsall Council Public Health

AESOP ARTS AND SOCIETY LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

REPORTING

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1st January 2015).

RESERVES POLICY

Trustees have examined the charity's requirements for reserves taking account of the main risks to the organisation. It has established a policy whereby the unrestricted funds target, not committed or invested in tangible fixed assets, held by the charity should be at least six months of expenditure on salaries and overheads. In the year to 31 March 2022, this figure equalled £195,000. The reserves are needed to meet the working capital requirement of the charity and the Trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

The present level of unrestricted funds available to the charity is £83,293. This is therefore below the target level of Reserves which Trustees aim to achieve through prudent budgeting in future years.

PERFORMANCE

In setting Aesop's 2021-22 budget, the Board was mindful of three main factors. First, an operating surplus of £133,609 had been achieved in 2020-21 which had helped bolster the level of Reserves. Second, as recorded in the Board's 2020-21 annual report, this surplus would be available to support growth in 2021-22. Third, there was potential for growth due to the emergence from COVID-19 and anticipated returns on investment in business development since November 2020 began to bear fruit. It was therefore decided to invest £104,324 of reserves in growing Dance to Health sales.

Dance to Health sales growth was achieved in 2021-22. Contract income increased from £55,000 in 2019-20 to £90,273 in 2020-21 and £201,350 in 2021-22. Of the £104,324 planned investment of reserves, £53,215 was required.

The overall out-turn in the year to 31 March 2022 was financially challenging with the impact of the pandemic continuing to inhibit growth of earned income. Costs were brought in within budget.

Total revenue was £427,261, a 24% decrease on the previous financial year. Unrestricted funds decreased from £182,361 (as restated) to £83,293.

BANKERS

The bankers for the charitable company are The Royal Bank of Scotland.

AESOP ARTS AND SOCIETY LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

RESPONSIBILITIES OF THE TRUSTEES

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102). Under company law the trustees must not approve the financial statements unless they are satisfied that they 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, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in business.

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

STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITOR

The trustees at the date of approval of this report confirm that:

- so far as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

AUDITOR

The MGroup Partnership
4 Witan Way
Witney
Oxon
OX28 6FF

AESOP ARTS AND SOCIETY LIMITED

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

SMALL COMPANY REGIME

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

This report was approved by the trustees on: 19 December 2022

Kevin A. Fenton

Professor K Fenton
Trustee - Chair

AESOP ARTS AND SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESOP ARTS AND SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2022

TO THE MEMBERS OF AESOP ARTS AND SOCIETY LIMITED

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

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AESOP ARTS AND SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESOP ARTS AND SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2022

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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 trustees' report, 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 trustee's report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESOP ARTS AND SOCIETY LIMITED
FOR THE YEAR ENDED 31 MARCH 2022**

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with the trustees and other management, and from our commercial knowledge and experience of the industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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AESOP ARTS AND SOCIETY LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESOP ARTS AND SOCIETY LIMITED
FOR THE YEAR ENDED 31 MARCH 2022**

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESOP ARTS AND SOCIETY LIMITED
FOR THE YEAR ENDED 31 MARCH 2022**

DESCRIPTION OF THE AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The auditor's 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 the auditor's opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (UK) (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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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AESOP ARTS AND SOCIETY LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AESOP ARTS AND SOCIETY LIMITED
FOR THE YEAR ENDED 31 MARCH 2022**

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

P. D. S. 

PD Smith (Senior Statutory Auditor)

For and on behalf of

The MGroup Partnership

STATUTORY AUDITOR

4 Witan Way

Witney

Oxon

OX28 6FF

20 December 2022

AESOP ARTS AND SOCIETY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	As restated Total Funds 2021 £
INCOME					
Income from generated funds:					
Donations and legacies		-	25	25	-
Grants		175,237	159,460	334,697	530,528
Income from charitable activities		91,420	1,119	92,539	35,163
Total income	5	266,657	160,604	427,261	565,691
EXPENDITURE					
Expenditure on charitable activities:					
Charitable activities		374,307	100,496	474,803	421,708
Governance costs		15,310	-	15,310	10,374
Total expenditure	6	389,617	100,496	490,113	432,082
NET (EXPENDITURE) / INCOME		(122,960)	60,108	(62,852)	133,609
Transfer between funds		23,892	(23,892)	-	-
NET MOVEMENT IN FUNDS		(99,068)	36,216	(62,852)	133,609
Reconciliation of funds					
Total funds at 1 April 2021	15	182,361	44,320	226,681	93,072
Total funds at 31 March 2022	15	83,293	80,536	163,829	226,681

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

AESOP ARTS AND SOCIETY LIMITED

**BALANCE SHEET
AS AT 31 MARCH 2022**

	Notes	2022 £	As restated 2021 £
FIXED ASSETS			
Tangible assets	10	-	125
CURRENT ASSETS			
Debtors	11	57,878	7,789
Cash at bank and in hand		147,591	243,574
		<u>205,469</u>	<u>251,363</u>
CREDITORS: Amounts falling due within one year	12	41,640	24,807
		<u>163,829</u>	<u>226,556</u>
NET CURRENT ASSETS			
		163,829	226,556
NET ASSETS		<u>163,829</u>	<u>226,681</u>
FUNDS OF THE CHARITY:			
Unrestricted income funds	15	83,293	182,361
Restricted income funds	15	80,536	44,320
TOTAL CHARITY FUNDS		<u>163,829</u>	<u>226,681</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102 Section 1A smaller entities.

Signed on behalf of the board of trustees

Kevin A. Fenton

Professor K Fenton CBE
Trustee - Chair

Date approved by the board:
19 December 2022

AESOP ARTS AND SOCIETY LIMITED

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

1 GENERAL INFORMATION

Aesop Arts and Society Limited is a registered charity and private company limited by guarantee and incorporated in England and Wales. Its registered office and principal place of business is:

Wittas House
Two Rivers
Station Lane
Oxfordshire
OX28 4BH

The financial statements are presented in Sterling, which is the functional currency of the charity.

The charity is a public benefit entity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

These financial statements have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"), the Companies Act 2006 and the Charities Act 2011.

Going concern

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

Incoming resources

Interest on funds held on deposit is recognised on a receivable basis.

Grant income has been recognised in the accounts on a receivable basis.

Earned income has been included in the accounts on an accruals basis.

Expenditure

All expenditure is recognised when a liability is incurred and has been classified under headings that aggregate all costs related to that heading.

Costs of charitable activities are expenses directly incurred in achieving the objectives of the charity.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

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

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised.

Fixed assets are stated at cost less accumulated depreciation.

Depreciation has been provided at the following rates so as to write off the cost less residual value of the assets over their estimated useful lives.

Office equipment	Straight line basis at 25% per annum
Computer equipment	Straight line basis at 33% per annum

Grants and donations

Grants and donations are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources and are treated as restricted or unrestricted income in line with the donor's instructions.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on a straight line basis over the lease term.

Financial instruments

The company 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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in the statement of financial activities.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2 STATEMENT OF ACCOUNTING POLICIES (continued...)

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and 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 of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its 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 statement of financial activities.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in the statement of financial activities.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and subsequently at amortised cost.

Funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Pensions

The company operates a defined contribution pension scheme. The amount charged to the income and expenditure account in respect of pension costs is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments in the balance sheet.

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

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

No significant accounting estimates and judgements have had to be made by the directors in preparing these financial statements.

4 RESTATEMENT OF COMPARATIVES

The comparative figures have been restated to reflect the transfer in the reserves between restricted and unrestricted funds. This has decreased the comparative restricted funds by £142,408 and increased the unrestricted funds by the aforementioned amount.

5 INCOMING RESOURCES

The incoming resources included on page 12 consist of the following sources of income:

	Unrestricted Funds	Restricted Funds	2022 Total	2021 Total
Income from Donations				
Donations and legacies	-	25	25	-
	-	25	25	-
Income from grants				
Peter Sowerby Foundation	-	-	-	47,759
Arts Council England	68,443	56,190	124,633	214,258
John Ellerman Foundation	-	-	-	16,355
Paul Hamlyn Foundation	-	-	-	45,000
Paul Bassham Charitable Trust	-	-	-	1,000
Hodge Bank	-	-	-	10,000
National Lottery Community Fund	-	-	-	85,000
ExtraCare Charitable Trust	-	3,780	3,780	-
Oak Foundation	71,304	-	71,304	-
Dulverton Trust	-	30,000	30,000	-
Swansea Bay University Health Board	21,000	-	21,000	-
Birmingham City Council	-	55,000	55,000	55,000
Neath Port Talbot Council	14,490	14,490	28,980	-
Ladywood Dance to Health	-	-	-	310
Government Grants (Covid-19)	-	-	-	55,846
	175,237	159,460	334,697	530,528
Income from charitable activities				
Dance to Health Service Contracts	88,566	1,174	89,740	31,119
Dance to Health Sales to the Public	2,854	(55)	2,799	4,044
	91,420	1,119	92,539	35,163
Total Income	266,657	160,604	427,261	565,691

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

6 EXPENDITURE

The resources expended included on page 12 consist of the following sources of expenditure:

	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Charitable activities				
Dance to Health Phase 1	-	-	-	55,218
Dance to Health Phase 2 and Online Platform	-	100,496	100,496	299,092
Hub expenses	374,182	-	374,182	65,013
Depreciation	125	-	125	2,385
	<u>374,307</u>	<u>100,496</u>	<u>474,803</u>	<u>421,708</u>
Governance costs				
Governance costs - audit	5,700	-	5,700	-
Governance costs - independent exam	-	-	-	2,010
Governance costs - other	9,610	-	9,610	8,364
	<u>15,310</u>	<u>-</u>	<u>15,310</u>	<u>10,374</u>
Total expenditure	<u>389,617</u>	<u>100,496</u>	<u>490,113</u>	<u>432,082</u>

7 EMPLOYEES

The average number of persons employed by the company (including trustees) during the year was:

	2022	2021
Average number of employees	<u>8</u>	<u>9</u>

8 STAFF COSTS

	2022 £	2021 £
Staff costs during the year amounted to:		
Salaries and wages	271,142	266,787
Social security costs	23,187	24,620
Pension contributions	13,831	10,150
	<u>308,160</u>	<u>301,557</u>

No trustees received any remuneration during the year (2021 - £Nil). In addition, no trustee expenses have been incurred (2021 - £Nil).

AESOP ARTS AND SOCIETY LIMITED

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

9 KEY MANAGEMENT PERSONNEL REMUNERATION

The emoluments of one member of staff are within the range of £80,000 to £89,999 (2021 - one in the range of £60,000 to £69,999), not including retirement benefits.

	2022	2021
	£	£
Key management personnel remuneration for the year amounted to:		
Salary and wages	84,266	66,941
Pension	4,457	2,543
	<u>88,723</u>	<u>69,484</u>

10 TANGIBLE ASSETS

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 April 2021	3,508	10,229	13,737
	<u>3,508</u>	<u>10,229</u>	<u>13,737</u>
At 31 March 2022	<u>3,508</u>	<u>10,229</u>	<u>13,737</u>
Accumulated depreciation			
At 1 April 2021	3,383	10,229	13,612
Charge for year	125	-	125
At 31 March 2022	<u>3,508</u>	<u>10,229</u>	<u>13,737</u>
Net book value			
At 1 April 2021	<u>125</u>	<u>-</u>	<u>125</u>
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>

11 DEBTORS

	2022	2021
	£	£
Trade debtors	56,704	7,789
Prepayments and accrued income	1,174	-
	<u>57,878</u>	<u>7,789</u>

Included within accrued income is income from charitable activities, as detailed in Note 5. Within the Dance to Health Service Contracts, there is an amount of £1,174 that has been accrued from the year ended 31 March 2023.

AESOP ARTS AND SOCIETY LIMITED

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

12 CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	23,754	7,834
Taxation and social security	9,813	9,081
Accruals	8,073	4,112
Deferred income	-	3,780
	<u>41,640</u>	<u>24,807</u>

Included within deferred income is income from charitable activities, as detailed in Note 5. Within the Dance to Health Service Contracts, there is an amount of £nil that has been deferred to the year ended 31 March 2023 (2021: £3,780).

13 COMMITMENTS

Amounts falling due next year under operating leases for land and buildings:	2022	2021
	£	£
Expiring in less than one year	4,167	10,000
Expiring in more than one but less than two years	-	4,167
	<u>4,167</u>	<u>14,167</u>

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2022 represented by:

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible assets	-	-	-
Debtors	57,878	-	57,878
Cash at bank and in hand	30,187	117,404	147,591
Current liabilities	(7,529)	(34,111)	(41,640)
	<u>80,536</u>	<u>83,293</u>	<u>163,829</u>

AESOP ARTS AND SOCIETY LIMITED

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

15 MOVEMENT IN FUNDS

	At 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers	As at 31 March 2022 £
Unrestricted funds:					
General funds	182,361	266,657	(389,617)	23,892	83,293
Total unrestricted funds	182,361	266,657	(389,617)	23,892	83,293
Restricted funds					
Dance to Health	44,320	149,204	(100,496)	(23,892)	69,136
National Conference & Showcase	-	-	-	-	-
Aesop Institute	-	11,400	-	-	11,400
Total restricted funds	44,320	160,604	(100,496)	(23,892)	80,536
Total funds	226,681	427,261	(490,113)	-	163,829
Movement in funds (previous year)					
	At 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers (as restated)	As at 31 March 2021 (as restated) £
Unrestricted funds:					
General funds	58,253	59,472	(77,772)	142,408	182,361
Total unrestricted funds	58,253	59,472	(77,772)	142,408	182,361
Restricted funds					
Dance to Health	34,819	506,219	(354,310)	(142,408)	44,320
Total restricted funds	34,819	506,219	(354,310)	(142,408)	44,320
Total funds	93,072	565,691	(432,082)	-	226,681