



The Art Room (Oxford)

Report and Accounts

**Period from 1st September 2017
to 31st March 2018**

The Art Room (Oxford)
Report of the Trustees of The Art Room
For the period ended 31 March 2018

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General information

- **Royal Patron**

Her Royal Highness The Duchess of Cambridge

- **Patrons**

Lady Helen Baker

Micaela Boas

Anthony Browne

His Honour Nicholas Browne QC

Dr Nicholas Cullinan

Candida Gertler OBE

Emily King

Andrew Nairne

Korky Paul

Grayson Perry CBE

Jenny Saville

Yinka Shonibare CBE

Juliet Stevenson CBE

Richard Wentworth CBE

- **Founder**

Juli Beattie OBE

- **Trustees**

The Trustees that served during the period were as follows.

Jonathan Lloyd-Jones (Chair)

Resigned 1 January 2018

Samantha Bamert (Treasurer)

Resigned 1 January 2018

Gareth Binns

Resigned 1 January 2018

Bettina von Hase

Resigned 1 January 2018

Mark Miller

Resigned 1 January 2018

Stella Murrell

Joseph Spence

Liz Greetham (Chair)

Appointed 1 January 2018

Professor Stephen Scott

Appointed 1 January 2018

Professor Eric Taylor

Appointed 1 January 2018

- **Principal and Registered Office**

Oxford Spires Academy, Glanville Road, Oxford, OX4 2AU

- **Auditor**

Crowe U.K. LLP

St Bride's House

10 Salisbury Square

London EC4Y 8EH

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- **Principal bankers**

Handelsbanken
Seacourt Tower,
West Way,
Oxford
OX2 0FB

- **Legal advisers**

Blake Morgan,
Seacourt Tower
West Way,
Oxford
OX2 OJJ

- **Registration numbers**

The Charity Commission for England and Wales: 1088739
Office of the Scottish Charity Regulator: SCO44940
Company No: 4268723

- **Chief Executive**

Ms Lisa Harker

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Section 1: Objectives and activities

- **Our vision**

Art is a transformative practice, enabling self-development by harnessing an individual's creative power. Every child deserves the opportunity to access that power, and to learn, achieve and fulfil its potential.

- **Our mission**

To harness the power of art to enable as many children as possible to face their challenges, aspire and achieve, and engage with their education.

- **Objectives**

The advancement of education through the provision of Art-Therapy in a highly supportive environment, for children experiencing learning, behavioural and other difficulties, as an addition to their daily school experience.

The Art Room's activities are designed to;

- Raise children's self-esteem, self-confidence and independence
- Help children modify the behaviour which threatens their education
- Offer positive support in a child's overall development and enhance the development of life skills
- Reduce the likelihood of exclusion from school
- Enable children to fully engage in their school

Section 2: Strategic Report

Section 2a: Achievements and performance

The Art Room's performance in numbers

The Art Room worked with 1028 children in the 2017/18 academic year. We provided Art Room sessions for up to 530 children a week and worked with more than 40 partner schools. Drawing on a sample of 343 referral and completion of Strengths and Difficulties Questionnaires (SDQ), we can demonstrate our work is having a dear impact;

Impact:

- 70% of the children who were referred to us with severe difficulties improved following their time with The Art Room;

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- 44% of the children who were referred to us with severe difficulties improved to such an extent that they were subsequently found to have no or moderate difficulties, according to SDQ scores;
- On average children who attended The Art Room made most progress in relation to their emotional wellbeing and peer relationships.

Who we helped:

- Over one third of the children referred to The Art Room were in receipt of Pupil Premium funding
- 29% of children referred to The Art Room has some level of special educational need, compared to 12% of all children in England

Our evaluation findings were backed up by many anecdotal reports from teachers associated with all of our Art Rooms describing significant improvements in emotional and peer-to-peer conduct and hyperactivity, as well as an increase in positive pro-social behaviour.

The Art Room was acquired as an entity by Place2Be from 1 January 2018 and during the period to 31 March 2018 integrated all the back-office functions of the charity including fundraising, communications, HR, finance and research and evaluation. This helped to reduce costs, as well as enabling the Art Room to draw on the more comprehensive infrastructure of Place2Be. To ascertain how best to combine The Art Room services with those offered to schools by Place2Be, a pilot was initiated in Edinburgh and is due to be completed by December 2018.

Looking forward

In 2018/2019 we will:

1. Fully integrate with Place2Be to become part of a broader range of services available to schools to support the needs of children who are experiencing learning, behavioural and other difficulties;
2. Revise The Art Room's school fees structure in order to secure a greater proportion of income from schools.
3. Seek further funding to support the continuing work of The Art Room.

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Section 2b: Organisational purpose and public benefit

Statement of Public benefit

The Art Room helps raise the self-esteem and self-confidence of children who are experiencing learning, behavioural and other difficulties. Most children return to their classrooms and families showing much more independence of mind and are able to successfully pursue tasks they couldn't have completed beforehand. Their emotional health and behaviour are often greatly improved. This benefit to the children and their schools, families and communities has been shown to extend well beyond the time they've spent in The Art Room.

Children are referred to The Art Room by their teachers, parents or carers, SENCO, or other professionals working with children. Sometimes they self-refer. They attend in groups of up to eight and – with at least two highly trained practitioners in each session – receive a high level of individual attention. They attend once a week for a minimum of a term, and in some cases for several years.

There are many reasons for referral including:

- living with or suffering mental health difficulties
- family breakdown and chaotic home life
- neglect and/or on the Child Protection Register
- learning and communication difficulties
- on the autistic spectrum
- extreme withdrawal e.g. elective mutes
- aggressive or challenging behaviour
- a family member in prison system
- living with violence and abuse
- addiction in the family
- living in overcrowded conditions
- child as prime carer
- living with anxiety
- impact of suicide in family
- suffering bereavement

The Art Room is committed to promoting children's welfare and well-being while providing them with better opportunities. Working in consultation with local safeguarding children boards and statutory agencies, we regularly review and update our safeguarding policy and procedures. Our practitioners are offered regular training and supervision, and we work closely with our partner schools to identify and support children who are suffering harm or are likely to suffer harm.

In The Art Room, we provide an environment in which children and young people feel safe, secure, valued and respected, so they feel confident and know how to approach adults if they are in any difficulty.

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The Trustees confirm they have complied with the duty within the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Leadership

All members of the Board of Trustees are committed to The Art Room's vision and mission and understand their role as The Art Room's strategic leaders.

The strategic business of the charity is discussed at quarterly Board meetings. In some cases, Trustees are involved in particular strategic actions, for instance Trustees have taken key roles in the decision to merge with another charity. The CEO directs The Art Room's activities.

New trustees undergo an orientation programme to brief them on: their role and legal obligations under charity and company law, the Charity Commission guidance on public benefit, content of the Articles of Association, the terms of engagement of the finance committee and decision-making processes, the business plan and recent financial reports of the charity. They meet the Chief Executive Officer and other trustees and are also provided with the code of good governance for the voluntary sector. Trustees are encouraged to attend appropriate external training events that will help them undertake their role.

Our staff and pay structures

During the period to March 2018 we had an average of 33 staff, a decrease of 6 from last year. The reduction was due to a small number of back office staff leaving the organisation and these functions were taken on by Place2Be following acquisition of The Art Room in January 2018.

The Art Room is committed to paying staff a fair and appropriate salary, to ensure we can attract and retain people with the skills and abilities to deliver our objectives. Our approach is guided by the following principles:

- we provide a total reward package which recognises contribution to the achievement of our aims;
- our reward offering will be competitive in the marketplace from which we draw the people we need; and
- the reward decisions we make will be based on objective assessment of performance and of our organisational needs.

The Board of Trustees approves salary increases for all staff as part of the approval of the annual budget.

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Section 2c: Income, expenditure and balance sheet

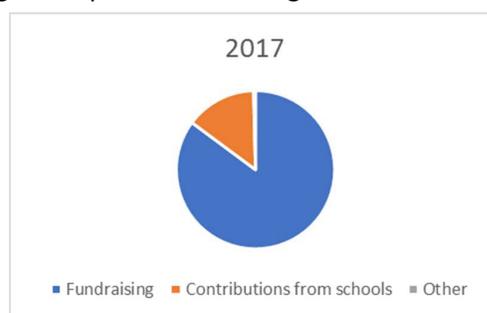
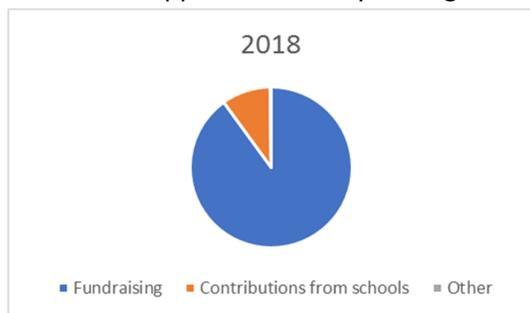
Income and Expenditure

The principal funding source of the Art Room is voluntary income generated by fundraising.

Income for the period

	7 months to 31/03/2018 £000	%	13 months to 31/08/2017 £000	%
Fundraising	830	90%	677	85%
Contributions from schools	90	10%	115	14%
Other	2	0%	3	0%
Total	922		795	

In the build up to the merger Place2be set a target of an additional £150k of fundraising income to support the charity through the integration process. This target was exceeded.



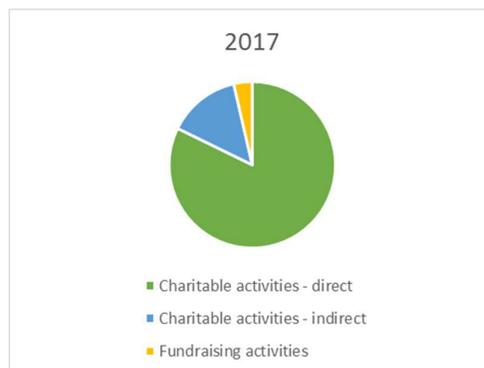
Expenditure for the period

	7 months to 31/03/2018 £000	%	13 months to 31/08/2017 £000	%
Charitable activities - direct	386	71%	870	82%
Charitable activities - indirect	148	27%	150	14%
Fundraising activities	8	1%	38	4%
Total	542		1058	

Indirect costs are a higher proportion of expenditure in the period to 31 March 2018 due to the need to manage the merger process.

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Balance Sheet

Cash at the bank remains about the same as at 31 August 2017 despite the surplus for the period. This is because much of the income recognised in the period was received in advance of the activity in previous periods. Creditors within one year were £40k (2017 £329k) and creditors due after more than one year were £Nil (2017 £104k). These are lower because at 31 August 2017 there was a total of £394k of deferred income that has been released to the Statement of Financial Activity during the period to 31 March 2018.

Reserves

The Board of Trustees review the reserves policy annually in light of strategic plans and risks associated with the Art Room's financial position and activities. The reserves policy aims to build and maintain general funds to a level that is required to meet the outstanding commitments in the event of a full closure of the organisation. This is calculated based on the costs involved in delivering sessions for one academic term across all current Art Rooms, as well as the associated support costs and anticipated closure costs. The period of one academic term represents the contractual arrangements with participating schools. The Art Room currently has general funds of £175k which falls short of this requirement.

	31/03/2018 £000	31/08/2017 £000
Restricted Funds		
For Art Rooms	329	67
For Fundraising	2	9
For Central costs	-	-
General Fund	174	50
	505	126

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The funds can be used as follows;

Art Rooms

Many donors make donations towards specified Art Rooms. We keep records of expenditure on each Art Room and keep donors informed of activities for that particular Art Room.

Fundraising

One donor made a donation to support fundraising activity. As the charity becomes more integrated with Place2Be, the fundraising activity will be taken over by Place2be's fundraising team.

Central costs

Some donors made donations to support core operations during the merger and integration process. These funds were all used during the accounting period.

General Funds

General funds can be used for any of the charity's activities. These funds will support the charity as the integration process is completed.

Following the transfer of activities in the coming year, any remaining funds will be transferred to Place2be but will be restricted to use for Art Rooms.

Section 2d: Key Risks and Uncertainties, with plans and strategies for managing those risks

The Trustees are responsible for ensuring that there is an effective system for the management of risk within The Art Room and have implemented a broad range of risk management processes. The major risks to which the charity is exposed are regularly reviewed by the Trustees and steps taken to mitigate those risks.

The charity's risk management policy consists of the following:

- A regular review by the senior management and trustees of the principal risks and uncertainties which the charity faces;
- The review involves both assessing the likelihood and potential impact should the risks arise. The areas considered are finance and funding; as well as non-financial risks, which may affect the operations of the charity, its organisation and governance.
- Based on the review, policies, procedures and systems are identified and/or updated accordingly with the aim of managing and minimising any potential impact on the charity, should the risks materialise.

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The major financial risk for the charity is its financial sustainability and more specifically its reliance on philanthropic funds. This risk is managed by regularly monitoring liquid funds, the pipeline of grant applications together with actions to increase earned income for the service provided, as well as the charity's training activities. In addition multi-year funding is secured prior to opening new art rooms. Non-financial risks relate to the availability of trained staff to ensure the continuation of the service provided and also ensuring the safeguarding of children.

Staffing levels are managed so there are sufficient practitioners to support the service - Art Rooms support each other if a short-term absence needs to be covered. Our training also puts the charity in contact with potential new members of staff and in recent years a number of new staff members have come from this contact. In addition the charity has clear HR policies and procedures that are regularly communicated with our staff. Annual reviews take place, to ensure staff have the necessary training and are given the opportunity to develop. Our in-house training team provides continued professional training.

The charity ensures we meet the necessary safeguarding standards, by regularly reviewing the safeguarding policy and procedures in the light of best practice, ensuring that all staff are properly trained in the necessary procedures and that referral information from schools is required prior to children starting with the Art Room.

Section 3: Governance and management

The charity is governed by its Memorandum and Articles of Association, as amended on 29 November 2017.

The procedures for the appointment of Trustees are set out in the Articles of Association. At each AGM, one third of the Trustees shall retire from office but are eligible for reappointment.

All new Trustees undertake a short programme of induction, including attending a normal working session at one of the eight Art Rooms.

The Trustees meet approximately four times each year to receive updates on current matters and take strategic decisions. The Chief Executive runs the Charity day to day within levels of authority set by the Trustees.

Since the Charity Governance Code was launched on the 13th July 2017, The Art Room has utilised the Code as a tool to reflect upon its current governance structures and consider the ways in which the Charity and its Trustees currently apply the seven principles and recommended practice.

We know that we are best placed to fulfil our vision, mission and strategic goals with effective governance in place. The Board has therefore established a solid foundation in governance in which all Trustees are clear about their roles and legal responsibilities, are

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committed to supporting the charity to deliver its objects most effectively for its beneficiaries' benefit and contribute to the Charity's continued improvement.

The Charity already has a number of the Code's more stringent measures in place. These include leading the development of a long-term strategy and monitoring progress against that strategy, allowing the Board time to meet and discuss issues without paid staff being present, and agreeing a scheme of delegation of authority which defines clear boundaries for the Executive's ability to conduct business.

We have also taken time to consider the ways in which The Art Room can continue to adopt the Code over the coming months to further improve the Charity's governance standards, increase our overall effectiveness as an organisation and comply fully with this new code.

Fundraising code of practice

We value our supporters and donors and put them at the centre of all our fundraising activity. We follow the Institute of Fundraising's Codes of Fundraising Practice and comply with the key principles embodied in the codes and are committed to adhering to the Code of Fundraising Practice.

During the period from September to December 2017 The Art Room used an external fundraising contractor to support the Chief Executive in approaching existing fundraising contacts to generate additional income to meet the target set by Place2Be. This did not involve any approaches to members of the public. The Art Room's fundraising team adheres to Section 1.2 of the Code of Fundraising Practice and is committed to protecting vulnerable donors.

We are not aware of any occasion when we have been in breach of the Fundraising Code of Practice.

We are not aware of any complaints relating to the Fundraising team.

In light of the implementation of the General Data Protection Regulations we have contacted all applicable supporters to seek relevant consent in order to stay in touch with them about our work.

Investment policy

Given that the charity has regular monthly expenditure, but income is not spread evenly over the financial period, both the charity's restricted and unrestricted reserves are held as instant access cash or deposit balances with reputable financial institutions. No balances are held in investments. The associated treasury management risk is reviewed regularly by the Board of Trustees to ensure the risk is spread over a number of institutions.

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Section 4: Going concern statement

The trustees have decided to transfer the operations of the Art Room to Place2Be during 2019, therefore the Trustees do not expect further funding to be required for the Art Room as a separate entity. All fundraising efforts and activities will continue under the care of Place2Be. On the basis the Trustees are of the opinion that the Art Room is no longer a going concern and have prepared the accounts accordingly.

Section 5: Employee Involvement and Employment of the Disabled

Employees have been consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management. Trustees are actively encouraged to visit Art Rooms to meet with employees and listen to their views.

In accordance with the Art Room's Equal Opportunities Policy, The Art Room has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Section 6: Statement of Trustees' Responsibilities

The Trustees as Directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the result of the company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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Section 7: Statement of disclosure to auditors

Following the merger with Place2Be, The Art Room's Trustees decided to change its auditors and appoint Crowe U.K. LLP, who are the auditors of Place2Be. Crowe U.K. LLP has indicated its willingness to be appointed as statutory auditor

So far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and the Trustees have taken all the steps that they ought to have taken, in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This Trustees' Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees of The Art Room on 10 December 2018, including in their capacity as company directors approving the Directors' and Strategic Reports contained therein, and is signed as authorised on its behalf by:

A handwritten signature in black ink, appearing to read 'M. Deeks', is written over a horizontal line. The signature is cursive and extends slightly to the right of the line.

Chair of Trustees

30 January 2019

Independent Auditor's Report to the Members and Trustees of The Art Room (Oxford)

Opinion

We have audited the financial statements of The Art Room for the period ended 31 March 2018 which comprise Statement of Financial Activities, Balance sheet, Cash Flow and 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 2018 and of the incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (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.

Emphasis of matter – financial statements prepared on a basis other than going concern

We draw attention to Note 1 to the financial statements which explains that the directors intend to liquidate the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1. Our opinion is not modified in this respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

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inconsistent with the financial statements or our knowledge obtained in 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 there is a material misstatement in the financial statements or a material misstatement of the 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 and the Charities Accounts (Scotland) Regulations 2006 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 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 exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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

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trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 Acts 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.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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. 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.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

31 January 2019

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STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE PERIOD FROM 1 SEPTEMBER 2017 TO 31 MARCH 2018

	Note	2018 Unrestricted Funds £'000	2018 Restricted Funds £'000	Total Funds 31 March 2018 (7 months) £'000	2017 Unrestricted Funds £'000	2017 Restricted Funds £'000	Total Funds 31 August 2017 (13 months) £'000
Income and endowments from:							
Donations and legacies		83	747	830	220	456	676
Charitable activities		90	-	90	116	-	116
Investments		2	-	2	3	-	3
TOTAL INCOME	5	175	747	922	339	456	795
Expenditure incurred in relation to:							
Raising Funds	7	-	8	8	7	32	39
Charitable Activities	8	51	484	535	443	576	1,019
TOTAL EXPENDITURE		51	492	543	450	608	1,058
NET INCOME		124	255	379	(111)	(152)	(263)
Reconciliation of funds							
Total funds 31 August 2017	14	50	76	126	161	228	389
Total funds 31 March 2018		174	331	505	50	76	126

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

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BALANCE SHEET AT 31 MARCH 2018

Company number 4268723

	Note	31 March 2018 £'000	31 August 2017 £'000
FIXED ASSETS			
Tangible assets	9	-	-
CURRENT ASSETS			
Stock	10	4	7
Debtors	11	30	14
Cash at bank and in hand		511	538
		545	559
Creditors - Amounts falling due within one year	12	(40)	(329)
NET CURRENT ASSETS		505	230
CREDITORS: Amounts falling due after more than one year	13	-	(104)
TOTAL NET ASSETS		505	126
The funds of the Charity			
Restricted Funds		331	76
Unrestricted Charitable Funds		174	50
Total Unrestricted funds			
TOTAL CHARITY FUNDS	14	505	126

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

The financial statements were approved by the Board of Trustees on 30 January 2019 and were signed on its behalf by:



The notes on pages 21 to 30 form part of these accounts

The Art Room (Oxford)

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 SEPTEMBER 2017 TO 31 MARCH 2018

	Note	31 March 2018 £'000 (7 months)	31 August 2017 £'000 (13 months)
Cash flows from operating activities			
Net cash provided by (used in) operating activities	16	(27)	(349)
Net cash provided by investing activities		-	-
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting period		(27)	(349)
Cash and cash equivalents at the beginning of the reporting period		538	887
Cash and cash equivalents at the end of the reporting period	17	511	538

The notes on pages 21 to 30 form part of these accounts

The Art Room (Oxford)

NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

Charity Information

The Charity is a private, limited by guarantee, company (registered number 04268723), which is incorporated in England and domiciled in the UK. The address of the registered office is Oxford Spires Academy, Glanville Road, Oxford OX4 2AU.

1 BASIS OF ACCOUNTS

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS 102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Practice.

The Art Room (Oxford) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The Trustees intend to transfer all activities, assets and liabilities of the charitable company to Place2Be (the controlling party) and cease activities within the next 12 months of signing. As required by UK accounting standards, the Trustees have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

The 2018 financial statements relate to a 7 month accounting period from 1 September 2017 to 31 March 2018. With the approval of the board of Trustees, in order to align with Place2Be's accounting period.

2 PRINCIPAL ACCOUNTING POLICIES

A summary of the accounting policies of the company is set out below;

2.1 Voluntary Income

Income received by way of donations, legacies or grants is accounted for when conditions for their receipt have been met, there is reasonable probability of receipt and the amount receivable can be reliably estimated.

2.2 Donated goods, facilities and services

Gifts in Kind and donated services are included at the value where this can be quantified. Where this is possible, this is based on estimated open market value. The value of services provided by volunteers is not included in these accounts.

2.3 School Services Income

Revenue is pro rated to recognise income attributable to the period.

2.4 Fund Accounting

Unrestricted Funds are funds which are expendable at the discretion of the Trustees in furtherance of the objectives of the charity.

Restricted Funds are those which are used in accordance with specific restrictions imposed by donors or which have been raised for particular purposes.

2.5 Resources Expended

Resources expended are accounted for on an accruals basis and include irrecoverable VAT. All costs, other than those specifically related to the costs of raising funds and governance, are regarded as being incurred in connection with charitable activities and include costs of services and support costs and depreciation. Costs of raising funds include staff costs and the direct costs of fundraising activities. Support costs have been allocated in categories consistent with the management and operations of the organisation.

The Art Room (Oxford)

NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

2.6 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. All new equipment purchases, whether financed by the receipt of grants or paid for out of unrestricted funds, are depreciated on a straight line basis over three years. Smaller assets are treated as revenue expenditure in the year of purchase. There were no asset purchases or disposals in the year.

2.7 Taxation

As a registered charity with all its income being charitable and applied in furtherance of its charitable mission the company is not liable for corporation tax. Irrecoverable VAT is included in Resources Expended.

2.8 Pension

The Art Room (Oxford) offers a group personal pension scheme through a different pension provider, which is open to all staff and contributes 3% of salary into each fund. Staff may contribute up to statutory ceilings subject to a minimum contribution of 2%. This is in full compliance with government statutory requirements on auto-enrollment.

Pension fund contributions are paid over on a monthly basis to the respective scheme providers. The company encourages staff to obtain independent financial advice before entering the scheme. The cost of employer contributions is shown in note 6.

2.9 Stock

Stock consists of unused materials for therapeutic sessions. These are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

3 KEY JUDGEMENTS AND UNCERTAINTIES

In the application of the Charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 on-going 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 the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

4 TRUSTEES REMUNERATION AND EXPENSES

No members of the Trustee Board received or were entitled to receive any remuneration. In the year travel expenses have been reimbursed to three Trustees (2017 - two) totalling £410 (2017 £1,133).

The Art Room (Oxford)

NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

5 TOTAL INCOMING RESOURCES, BY SOURCE

	31 March 2018 £'000 (7 months)	31 August 2017 £'000 (13 months)
Incoming resources from Generated Funds		
Voluntary Income: Donations and legacies		
Companies and corporate trusts	11	148
Other trusts and charities	779	351
Private donations and events sponsorship	40	178
Investment income	2	3
Activities in Furtherance of Charity Objectives		
Schools	90	115
	922	795

6 EMPLOYEE INFORMATION

Staff Costs	31 March 2018 £'000 (7 months)	31 August 2017 £'000 (13 months)
Salaries	356	784
Social security costs	40	66
Employer's contribution to defined contribution pension schemes	6	5
	402	855

There were no redundancy payments made to employees during the 7 months ending 31 March 2018 (£9,204 paid to two members of staff in the 13 months ended 31 August 2017).

Number of employees who earned £60,000 or more

	31 March 2018 (7 months) No.	31 August 2017 (13 months) No.
£70,000-£79,999	-	1

Remuneration of Key Management Personnel

The total value of employment benefits including salary, pension and employers National Insurance received by Trustees and the executive team were as follows:

	31 March 2018 £'000 (7 months)	31 August 2017 £'000 (13 months)
Trustees	-	-
Executive team	49	112

The Art Room (Oxford)

NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

6 EMPLOYEE INFORMATION - Continued

The average number of employees, analysed by activity was

	Heads	Heads	Full time Equivalent	Full time Equivalent
	31 March 2018 No.	31 August 2017 No.	31 March 2018 No.	31 August 2017 No.
Charitable activities	31	34	16	16
Administration and management	2	5	2	4
Total	33	39	18	20

7 EXPENDITURE

	Direct costs £'000	Support costs £'000	31 March 2018 (7 months) £'000	31 August 2017 (13 months) £'000
Cost of Raising Funds				
Advisors and consultants	7		7	34
Other costs inc. travel	1		1	5
Charitable Activities	386	149	535	1,019
Total Expenditure	394	149	543	1,058

8 SUPPORT COSTS

	31 March 2018 (7 months) £'000	31 August 2017 (13 months) £'000
Office costs (inc printing, postage and stationery)	9	21
Finance, bookkeeping and payroll administration	43	46
HR Support and recruitment	15	13
Insurance	-	5
Miscellaneous	9	2
Bank charges	1	2
Communications and Public Relations	55	31
Evaluation	-	6
Outreach development	14	18
Governance	3	6
	149	150

The Art Room (Oxford)

NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

8	SUPPORT COSTS (continued)	31 March 2018 (7 months) £'000	<i>31 August 2017 (13 months) £'000</i>
	Included in governance costs;		
	Auditor's remuneration	2	3
9	TANGIBLE FIXED ASSETS	Computers and Other Assets £'000	Total Fixed Assets £'000
	COST		
	<i>At 1 September 2017</i>	12	12
	Additions	-	-
	Disposals	(9)	(9)
	At 31 March 2018	3	3
	DEPRECIATION		
	<i>At 1 April 2017</i>	12	12
	Charge for the year	-	-
	Disposals	(9)	(9)
	At 31 March 2018	3	3
	NET BOOK VALUES		
	At 31 March 2018	-	-
	<i>At 31 March 2017</i>	-	-
	All fixed assets are used for direct charitable purposes.		
10	STOCKS	<i>30 March 2013 £'000</i>	31 March 2018 £'000
			<i>31 August 2017 £'000</i>
	Raw materials and consumables	-	7
		-	7
11	DEBTORS	<i>30 March 2013 £'000</i>	31 March 2018 £'000
			<i>31 August 2017 £'000</i>
	Trade Debtors	893	14
	Prepayments and other debtors	11	-
		991	-
		991	14

The Art Room (Oxford)

NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

12 CREDITORS: amounts falling due within one year

	31 March 2018	31 August 2017
	£'000	£'000
Trade creditors	8	6
Accruals	15	18
Owed to parent entity	4	-
Taxation and Social Security Costs	12	14
Deferred income	-	290
Pension contribution	1	1
	40	329

13 CREDITORS: amounts falling due after one year

	31 March 2018	31 August 2017
	£'000	£'000
Deferred income	-	104
	-	104

Deferred income in respect of school service funders and training comprises services invoiced in advance of services rendered.

movements in deferred income

	31 March 2018	31 August 2017
	£'000	£'000
Balance brought forward	394	441
Released to income	(394)	(187)
Income received for future years		140
Balance carried forward	-	394

The Art Room (Oxford)

NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

14 FUNDS

	<i>Balance</i>	<i>Movement In Resources</i>			<i>Balance</i>
	<i>1 September</i>			<i>Gains/</i>	<i>31 March</i>
	<i>2017</i>	<i>Incoming</i>	<i>Outgoing</i>	<i>Transfers</i>	<i>2018</i>
Restricted Funds	£'000	£'000	£'000	£'000	£'000
For Art Rooms	67	607	(345)	-	329
For Fundraising	9	-	(7)	-	2
For Central Costs		140	(140)	-	-
Total Restricted Funds	76	747	(492)		331
Unrestricted Funds	50	175	(51)	-	174
Total Funds	126	922	(543)	-	505

Funds comparison table as at 31 August 2017

	<i>Balance</i>	<i>Movement In Resources</i>			<i>Balance</i>
	<i>1 September</i>			<i>Gains/</i>	<i>31 August</i>
	<i>2016</i>	<i>Incoming</i>	<i>Outgoing</i>	<i>Transfers</i>	<i>2017</i>
Restricted Funds	£'000	£'000	£'000	£'000	£'000
For Art Rooms	203	410	(546)		67
For Fundraising	20	21	(32)		9
For Central Costs	-	25	(25)		-
For Events	5		(5)		-
Total Restricted Funds	228	456	(608)		76
Unrestricted Funds	161	339	(450)		50
Total Funds	389	795	(1,058)	0	126

The Art Room (Oxford)

NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS at 31 March 2018

	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Stock	4	-	4
Debtors	30	-	30
Current Asset Investments & Cash	180	331	511
Creditors Due Within 1 Year	(40)	-	(40)
Creditors Due After 1 Year	-	-	-
TOTAL FUNDS	174	331	505

ANALYSIS OF NET ASSETS BETWEEN FUNDS at 31 August 2017 for comparison

	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Total £'000</i>
<i>Stock</i>	<i>7</i>	<i>-</i>	<i>7</i>
<i>Debtors</i>	<i>14</i>	<i>-</i>	<i>14</i>
<i>Current Asset Investments & Cash</i>	<i>116</i>	<i>422</i>	<i>538</i>
<i>Creditors Due Within 1 Year</i>	<i>(87)</i>	<i>(242)</i>	<i>(329)</i>
<i>Creditors Due After 1 Year</i>	<i>-</i>	<i>(104)</i>	<i>(104)</i>
TOTAL FUNDS	50	76	126

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NOTES TO THE ACCOUNTS for the period from 1 September to 31 March 2018

16 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES	31 March 2018	31 August 2017
	(7 months)	(13 months)
	<i>£'000</i>	<i>£'000</i>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	379	(264)
Adjustments for:		
(Increase)/decrease in stocks	3	5
(Increase)/decrease in debtors	(16)	6
Increase/(decrease) in creditors	(393)	(96)
Net cash provided by (used in) operating activities	(27)	(349)

17 ANALYSIS OF CASH AND CASH EQUIVALENTS	31 March 2018	31 August 2017
	<i>£'000</i>	<i>£'000</i>
Cash in hand	511	538
Total cash and cash equivalents	511	538

18 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

On the 1 January 2018, following a majority decision by the trustees, Place2Be became the sole member of the Art Room (Oxford) and by virtue is now the parent undertaking and controlling party.

Place2Be is a charitable company limited by guarantee, registered in England, Wales and Scotland (company number 02876150, charity number 1040756, scottish charity number SC038649).

Place2Be produces full group accounts which are available on request. The registered office of Place2Be is 175 St Jon Street, London, EC1V 4LW.

19 RELATED PARTIES

During the period the charity traded with its parent Place2Be.

on behalf of the charity amounting to £2k (2017 - £nil). As at 31 March 2018 the charity owed Place2Be £4k (2017 - £nil).

The Art Room (Oxford)

SUPPORTERS OF THE ART ROOM

The Art Room (Oxford) could not achieve its mission without the dedicated work, help, support and cooperation of our friends, The Art Room's staff and volunteers, all the children, head teachers and teaching and other staff and governors in the schools in which we work; officers, staff, councillors and committee members of local government organisations and central government departments.

We are very grateful to you all.