



Place2Be (A company limited by guarantee)

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 MARCH 2019

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2019

Patron

Her Royal Highness The Duchess of Cambridge

President

Dame Benita Refson DBE

Trustees

Mr Simon Mackenzie Smith, Chair

Mr William Russell, Deputy Chair

Dame Benita Refson DBE (resigned 1 November 2018)

Sandy Begbie (appointed 17 September 2018)

The Rt Hon Stephen Dorrell

Ms Elizabeth Greetham

Ms Siân Hill

Dr Robert Jezzard OBE (resigned 11 June 2018)

Ms Elpha LeCointe

Mr Adrian Levy

Sir Charlie Mayfield

The Hon Robert Rayne (resigned 11 June 2018)

Professor Stephen Scott

Dr Joseph Spence (appointed 11 June 2018)

The Countess St Aldwyn

Professor Eric Taylor

Company registered number

02876150

Charity registered numbers

1040756 and SC038649

Principal and registered office

175 St. John Street, London, EC1V 4LW

Independent auditor

Crowe U.K. LLP, St Bride's House, 10 Salisbury Square, London, EC4Y 8EH

Solicitors

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2019

Executive team

Ms Catherine Roche, Chief Executive

Ms Vicki Bednall, Director of Fundraising (maternity cover, appointed July 2018, resigned March 2019)

Dr Lynne Green, Clinical Director (resigned September 2018)

Ms Lisa Harker, Director, The Art Room (resigned March 2019)

Dr Patrick Johnston, Director of Learning and Practice

Ms Jan McCarthy, Director of People

Ms Ruth Richards, Director of Marketing and Digital (resigned September 2018)

Ms Olivia Curno, Director of Fundraising (maternity leave, resigned July 2018)

Ms Jenny Raine, Chief Financial Officer (appointed October 2018)

Ms Sarah Williams-Robbins, Director of Marketing and Communications (appointed December 2018)

Mr Alex Shapland-Howes, Director of Operations (resigned April 2018)

Mr David Oldham, Chief Financial Officer (interim from February 2018, resigned November 2018)

Foreword from Simon Mackenzie Smith, Chair of Trustees

In 1994, the year Place2Be was founded, we supported a small handful of schools across the UK. In those days, *mental health* was a term often referred to in hushed tones or avoided altogether.

Fast-forward a quarter of a century and the world is a very different place. There is now a growing understanding of mental health and a greater focus on the importance of early intervention to address issues before they escalate into adulthood.

There is also an increased need for support; the latest study shows that **one in eight** children are now experiencing mental health difficulties. For many schools across the UK, the situation is challenging and the number of referrals to specialist Child and Adolescent Mental Health Services (CAMHS) has increased significantly (26% in the past five years).

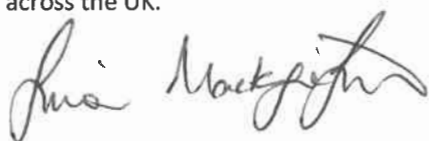
Place2Be's role in improving children's mental health is therefore more important than ever. As we mark our 25th year, it is a fitting moment to reflect on our considerable achievements. Place2Be now reaches over 364,000 children and young people across the UK working in 639 schools.

With school budgets under continuing pressure, we remain incredibly grateful for the generous support and dedication we receive from donors, schools, partner organisations, Counsellors on Placement and the Place2Be team. In 2018/19, our income exceeded £17.5 million, surpassing our target.

Place2Be would not exist without the great vision and energy of its founder, Dame Benny Refson, who this year stepped down as a trustee. I am very pleased to say that she remains our President and will continue to be significantly involved with us going forward.

Also leaving the Board are The Hon Robbie Rayne and Dr Bob Jezzard, both of whom have made enormous contributions to Place2Be and deserve our heartfelt thanks. Joining us are Sandy Begbie, who has a strong background in the charity sector and will lead our advisory board in Scotland, and Dr Joe Spence, Master of Dulwich College and former trustee of The Art Room. We also acknowledge and thank Simon Marshall who is stepping down from his role as an adviser.

There is still a huge amount to be done in this sector. The other trustees and I thank CEO Catherine Roche and Place2Be's dedicated staff for their continued commitment to making a difference to young people's lives and we will continue to empower and support their work in the year ahead. I'm confident that Place2Be's expertise in the field of young people's mental health places us in a strong position to play an increasingly prominent role in the challenge to improve the wellbeing and prospects of children, their families and school communities across the UK.



Simon Mackenzie Smith, Chair of Trustees

Foreword from Catherine Roche, CEO

Place2Be believes no child should face mental health problems alone. With the right expert support, children have a better chance to engage with their learning, build crucial relationships and go on to thrive in adulthood.

Over the past year, we have striven to deliver on our mission to improve children's mental health, against a backdrop of growing need. We have continued to build our reputation as leaders in our field, feeding into national conversations and policies. Most importantly, we have continued to support even more children and young people by delivering against our strategic objectives.

In line with our stated ambitions, working in partnership has always been a key component of our approach to making a long-term difference to mental health services for children. In the past year we worked with over 600 schools across the UK, through our increased number of school partnerships and the expansion of our Mental Health Champions' programmes supporting teachers and school leaders, helping to build skills and awareness as part of a 'whole school' approach. We have continued to work in collaboration with our Heads Together partners on the Mentally Healthy Schools website, offering quality-assured resources and advice to primary schools in England.

This year we have significantly expanded our reach and built more flexibility into our practice. In the north west, for example, in partnership with Alliance for Learning, Youth Sports Trust, 42nd Street and the local NHS, we are delivering the Greater Manchester Mentally Healthy Schools and Colleges programme, part of the Government's £134m Trailblazer scheme.

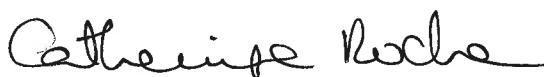
In line with our ambition to build the mental health workforce, we're delighted that over 1,000 counsellors took up placements in our partner schools and attended workshops in the past year; and over 500 people completed a qualifying course through Place2Be's professional training.

We also welcome the significant national spotlight on teacher education and wellbeing in 2019. We're delighted to be continuing our teacher-training pilots in partnership with Edinburgh and Stirling universities and we are progressing wider discussions on mental health input to teacher-training mobilised by a roundtable led by our Patron, HRH The Duchess of Cambridge.

Through our alumni network of over 1,000 mental health professionals, we have continued to build a professional network of powerful advocates working in a range of fields, from the NHS to schools.

There have been several other notable developments: this year saw us progressing the integration of The Art Room into Place2Be's range of services. The move to our new London base is allowing us to deliver even more training as part of our commitment to develop a skilled children's mental health workforce. We have also improved our infrastructure to provide the essential back-office support for our teams working within school communities. We have started exploring how technology can enhance our current services and help us support young people out of school hours.

As we enter our 25th year we look to the future challenges as well as opportunities. There is still a great deal to do to deliver our ambition of ensuring all children and young people have access to mental health support to enable them to build resilience, to learn and to thrive. Our heartfelt thanks go to everyone who has supported us on our journey thus far – and for continuing to enable Place2Be to lead the way in delivering this important work into the future.



Catherine Roche, CEO

SECTION 1: Objectives and activities

Our status and mission

Place2Be is a company limited by guarantee and a charity registered in England and Wales and in Scotland.

Our mission is to enhance the wellbeing and prospects of children and their families by providing access to therapeutic and emotional support in schools, using a proven model backed up by research and training.

Our objectives, as set out in our memorandum and articles of association, are the advancement of education and the preservation and protection of health amongst young persons and adults, without prejudice to the generality of the forgoing, by:

- Enabling therapeutic and emotional support to be provided to children in schools based on a practical model backed by research;
- Providing emotional support to children and adults including teachers and parents;
- Providing training in the principles, practices and methods of providing emotional support to children and adults and in other allied or ancillary subjects; and
- Providing services to facilitate the placing of persons trained in the provision of emotional support to children and adults.

Evidence of how we are delivering our objectives can be found in section 2a: *Achievements and Performance*.

Our vision, aims and strategy

Our vision is that children in all schools in the UK have access to high quality, effective, evidence-based mental health support. As a market leader, we have set ourselves the goal to provide school-based mental health services in up to 10% of UK schools by 2025, and to continue to promote 'whole school' mental health. We will do this by providing access to emotional and therapeutic support and training within school communities, using tried and tested methods, backed by research.

Our work focuses on four areas:

1. Working with partner schools to deliver and develop our in-school support as a beacon of excellence.
2. Building awareness, knowledge and understanding of children's mental health in the school community and beyond.
3. Building a skilled workforce of children and young people's mental health professionals.
4. Building a professional network of child mental health experts, to work in schools across the UK.

SECTION 2: Strategic Report

Section 2a: Achievements and performance against 2018/2019 commitments

1. Our work with schools

2018/19 commitment: Continue to work with our partner schools to deliver and develop our in-school support as a beacon of excellence

"Place2Be have been pioneers in this 'whole school approach' because mental health is everyone's business and early intervention is key. I have had the privilege of seeing their achievements for myself, and these are genuinely impressive. Their support not only for children, but for parents and teachers too, results in fewer young people needing referrals to people like me. Inspirational is a much over-used word, but Place2Be's work is indeed just that." - **Professor Sir Simon Wessely, Regius Professor of Psychiatry, King's College London and President, the Royal Society of Medicine**

"Children need emotional support all the way through school. And many parents need our support too. The Place2Be staff feel very much a part of the school, not just a service that's brought in. That close link is really important." - **Roger Punton, Principal, Ark King's Academy, Birmingham – working in partnership with Place2Be since 2014**

- In the past year, through our range of services, we worked directly with **639 schools**, reaching a school community of **364,080 children and young people**.
- A total of **390 schools** nationally had a **Place2Be service delivered in their school**, including 54 who accessed our Art Room service (compared to 286 schools, excluding The Art Room, in 2018).
- Through our partnership with crisis text line Shout, we have also launched a text line to our secondary schools where young people can access a response service 24 hours a day. The service, which began as a pilot in 2018, officially launched across the UK in 2019.

Our consistent data, gathered year-on-year since the beginning of Place2Be's work in schools in 1994, demonstrates our effectiveness in helping improve children's mental health. We use a range of validated tools, including: Goodman's *Strengths and Difficulties Questionnaire*; Young People Clinical Outcomes in Routine Evaluation; and Child/Parent Relationship Scale to measure our impact.

Children who are presenting with mental health issues are referred to Place2Be for one-to-one support with one of our specialist child counsellors. Around half of those who start with severe difficulties recover clinically after our support.

After children have had Place2Be counselling, our results show that **69%** cause fewer problems in the classroom; **77%** find it easier to have and keep friends; and **64%** of children's difficulties had less impact on their learning. Of those children who start with severe difficulties, **81%** report an improvement in wellbeing.

Our impact at a glance

Our work with schools in 2018/19	Building skills and raising awareness	Building a child mental health workforce	Building a professional network
<p>We worked with 639 schools in total reaching 364,080 children and young people</p> <p>390 schools had a Place2Be service delivered in their school, including 54 who accessed our Art Room service</p> <p>In the academic year 2018/19:</p> <p>5,359 pupils accessed one-to-one weekly support</p> <p>37,981 pupils booked their own Place2Talk appointment</p> <p>Of pupils who have taken part in counselling with Place2Be in academic year 2017/18 (last data available):</p> <p>69% caused fewer problems for their teacher or class</p> <p>77% found it easier to have friends</p> <p>81% of those with severe difficulties showed an improvement in wellbeing (up 2%)</p>	<p>Mental Health Champions (MHC) programme:</p> <p>194 schools - and 359 teachers - accessed our School Leaders programme</p> <p>409 class teachers - across 124 schools - completed our Class Teacher programme</p> <p>There were 48,800 downloads (up 42% vs 2018) of Place2Be resources from our Children's Mental Health Week microsite</p>	<p>1,023 individual Counsellors on Placement (CoPs) attended workshops 1 April 2018 – 31 March 2019</p> <p>CoPs attended 270 days of training.</p> <p>2,392 counsellors attended more than 1 workshop</p> <p>547 people completed a qualifying course through Place2Be (Level 2 through to Masters)</p> <p>1,114 people attended a 'Taster Day'</p> <p>The Mentally Healthy Schools website had 133,000 users, with a total of 569,000 page views in this period.</p> <p>Resources were accessed 121.6k times from 934 UK locations</p>	<p>We have an alumni network of over 1,000 mental health professionals (997)</p> <p>This is up from 700 in 2017/18</p>

2018/19 commitment: Refine our assessment and formulation process to deliver individualised care to each child and train all front-line staff in the process

Through work with King's College London and the South London and Maudsley NHS Foundation Trust we have refined our assessment and formulation training for all clinical staff which has now been rolled out across the country. This programme focuses on determining the most appropriate clinical approach for each child or young person and involves working with them and their parents to provide the support they need. We are continuing to refine and enhance the support we offer in schools using our own data as well as external research.

We promote positive mental health and wellbeing through our **Place2Talk** drop-in sessions, where children can go if they have a problem, either individually or as a group. In academic year 2018/19 38,000 children attended these sessions. Pupil responses to a study on Place2Talk (2015) found that 86% said they *felt happier* having been to the service.

Early intervention is important to identify children presenting mental health issues and to provide the support they need before the issues escalate. The Child Outcomes Research Consortium, the UK's leading organisation that collects and uses evidence to enable more effective child-centred support, compared Place2Be's service with those of other providers.

It found that children and young people who accessed Place2Be's one-to-one counselling service had a higher rate of improvement than other services:

- 28% of children and young people who had counselling through Place2Be clinically improved and moved out of the 'severe' range following counselling, compared to 22% in other services;
- Place2Be participants improved by an average of 4.2 points on total difficulties which is a medium effect size (0.61);
- Among other services, children and young people improved by an average of 2.8 points, according to parents with a small effect size (0.38).

We continued to provide support for parents through our **Place for Parents programme**. In 2018/19 academic year, we saw 650 parents in parent counselling, on a par with figures seen in the previous year.

2018/19 commitment: Fully integrate The Art Room service into our offer for schools

In this financial year we progressed the integration of The Art Room (TAR) within Place2Be. TAR staff TUPE transferred into Place2Be and we provided Level 2 qualifications for TAR practitioners. We are now working towards financial sustainability of TAR, with 54 schools accessing its services in this period, reaching 825 children. We also delivered our MHC – School Leaders programme in 16 TAR schools to introduce the wider 'whole school approach' to enhance TAR's work.

2018/19 commitment: In response to dealing with trauma and building children's resilience, establish and evidence 'Journey of Hope' as a core Place2Be group offer

We are continuing to refine our services to meet the changing needs of school communities. As a result of our partnership with Save the Children, we have introduced a more systematic/manualised group intervention to our suite of services, **Journey of Hope**. This can be used either as a preparedness tool, to

build the resilience of children and communities to future challenges, or as a recovery tool after an emergency such as Grenfell. We now have 30 trained facilitators and 10 quality assurance reviewers working across Place2Be and will embed this as part of our 'whole school approach'. This provides greater structure and consistency and an evidence-based approach to our group work.

2018/19 commitment: Work with external partners to identify and begin to introduce digital tools to enhance our delivery

As part of the Heads Together coalition, Place2Be is proud to be playing a lead role in the **Mentally Healthy Schools website**, which launched at the beginning of this period. The site provides free, easily accessible advice and practical resources to primary schools in England. In the past year there were 48,800 downloads (up 42%) of resources and advice on promoting wellbeing in the classroom.

Place2Be is also exploring the development of a 'blended offer' and have introduced a digital channel to complement our face-to-face services. Working with Shout, part of Mental Health Innovations (www.giveusashout.org), we have launched a text service in our 50 partner secondary schools. We will now learn from the practice, service take-up and data to inform service developments and roll out the offer as part of a package of services that wider schools in our network can access.

We have also introduced the use of the digital platform, HIVE Learning, for our assessment and formulation work and hope it will become an integral part of our digital toolkit to further enhance our services.

2018/19 commitment: Publish a peer-reviewed paper regarding the impact of our work in at least one academic journal

In financial year 2018/19 Place2Be presented at two national conferences as follows:

- Poster presentation on *Mental Health of Children with Special Educational Needs and Disability in England* at the Association for Child and Adolescent Mental Health (ACAMH) Jack Tizard Memorial Conference and Lecture: *Intellectual Disabilities*. This took place in June 2018.
- Talk on *Counselling UK School Children and Young People for Mental Health Problems: Evaluating Impact using the Strengths & Difficulties Questionnaire (SDQ) Predictive Algorithm* at the Royal College of Psychiatrists Faculty of Child and Adolescent Psychiatry annual conference. This took place in September 2018.

During the year, we worked with Place2Be's Research Chair, Professor Tamsin Ford, Professor of Child and Adolescent Psychiatry at University of Exeter Medical School (now at the University of Cambridge) – and our first Research Chair - to prepare a paper on Children's Presenting Issues. This was submitted to the ACAMH Journal of Child Psychology and Psychiatry and is currently under review.

2. Promote awareness and understanding of children's mental health in the school community and beyond

2018/19 commitment: Deliver MHC programmes to reach 120 schools

Place2Be continues to support and equip school leaders with the skills, knowledge and confidence to create mentally-healthy learning environments. We have significantly increased our capacity to deliver the MHC programmes this year. In the period to 31 March 2019, 359 staff, across **194 schools**, accessed our

School Leader programme; and 409 teachers, across **124 schools**, completed our Class Teacher programme.

We now have 51 clinicians inducted into our pool of trainers for the MHC programmes. This includes trainers who are new to Place2Be, as well as existing clinicians who draw on their experience of directly supporting children in Place2Be schools; and new trainers in the northern regions and Scotland where we recognised the need and opportunity to build trainer capacity.

Post-programme evaluation of MHC Class Teacher programmes showed that participants increased their knowledge across all measured domains, with mental wellbeing and identifying emotional wellbeing issues showing the biggest improvements. **Eighty-nine percent** would recommend the programme to other teachers.

Post-programme evaluation for the MHC School Leader programme showed participants rated their school's support for children's mental health at five or above (on a seven-point scale), increased from 38% before, to 81% after the programme. **Ninety-six percent** of participants would recommend the programme to colleagues.

2018/19 commitment: Secure external accreditation for our MHC programme

We have successfully accredited both our MHC School Leader and Class Teacher programmes, in England (by the CPCAB) and Scotland (by the SCEL/General Teaching Council). This is an important endorsement of the quality of Place2Be's training, further establishing our credibility among the teaching profession and commissioning organisations.

2018/19 commitment: Pilot delivery of the training embedded as part of core teacher-training in two sites

In Scotland, we launched our Teacher Education pilot in August 2018. Through this programme, a Place2Be trainer/consultant is now based in two Initial Teacher Education institutions (Edinburgh and Stirling universities) to support trainee teachers - and their tutors - in preparation for their future profession. As a 4th year student commented at the launch: *"We will be seeing children every day and need to know about mental health - if children come to us we need to be able to sufficiently support them. What Place2Be is trying to achieve in Scotland is really exciting and progressive."*

From September 2018, 150 final-year teaching students at St Mary's University College, Belfast took part in our MHC Class Teacher programme, Place2Be's first venture in Northern Ireland.

Following discussions on mental health input to teacher training, mobilised by a roundtable with other mental health charities convened by our Royal Patron in March 2019, we are working with Hive Learning to devise an online module for teacher training. Our vision is to align with the Department for Education's review of Initial Teacher Training and make this available nationwide. This work forms part of our strategy to ensure teachers feel better equipped with the skills and understanding to support children's mental health.

2018/19 commitment: Develop a digital online tool to enhance the MHC programmes

We developed and launched our digital school 'self-assessment tool'. This is an integral part of delivering the School Leaders programme, enabling each school to assess their progress and to develop an action plan in order to follow best practice in being a 'mentally healthy school'.

3. Building a skilled workforce of children and young people's mental health professionals to support children in schools

2018/19 commitment: Train 470 people to contribute to the children's mental health workforce via our Professional Qualifications

We continue to build the mental health workforce through our highly respected training programmes. In recognition of the importance of building the child mental health professional workforce, and the specialist skills required, we are proud that 547 people completed a qualifying course through Place2Be (Level 2 through to Masters) in the past year. In addition, 1,114 people attended a 'Taster Day' and we are now on track for continued growth in the year ahead.

Our newly promoted Clinical Director, Dr Niki Cooper, is a member of the Working Group Advisory Board who contributed to the BACP (British Association of Counsellors and Psychotherapists) competences framework for working with children and young people. This year we celebrated the 10th anniversary of our Postgraduate Diploma (PgDip) in Counselling Skills for Working with Children, accredited by the University of East London.

2018/19 commitment: Continue to offer a rich and up-to-date curriculum of training for our 1,000 CoPs

We continue to offer a rich and up-to-date curriculum of training for our 1000+ CoPs. In the past year, our CoPs participated in 270 days of training. We are working with Hive Learning to begin to digitise our training content, which continues into 2019/20.

4. Building a professional network of child mental health experts

2018/19 commitment: Expand our alumni programme, encouraging those who train or undertake a placement with us to remain engaged and continue to refresh their skills and access to up-to-date news, research and insight from our practice and partners

In the past year we have expanded our alumni programme, increasing from 700 to almost 1,000 members. We encourage those who train or undertake a placement with Place2Be to remain engaged and continue to refresh their skills and access up-to-date news about job opportunities, research and insight from our practice and partners. Following the move to our new home in St. John Street, we

introduced the 'Evening with...' lecture series, bringing in eminent external speakers to share up-to-date research, theory and best practice in the field of psychotherapy and to encourage networking across the organisation.

2018/19 commitment: Develop a model to link qualified children's mental health professionals with schools looking to bring in support

After reviewing our business model, we decided to focus on the wider market opportunities arising from the Government's commitment to children's mental health through the implementation of its Green Paper and the Trailblazer pilots.

Pioneering practice in 2018/19

Following the successful delivery of Place2Be's MHC School Leaders across schools in **Oxfordshire**, we created the new role of Mental Health Manager to work across five schools (four primary, one secondary). This is a strategic role, in which the manager works with the schools' Senior Leaders to support the continuation of their learning journey. The Mental Health Manager focuses on the school community and adults around the children. They use their expertise to move the school and their action plans forward, helping to train and upskill staff and building relationships with external agencies, including NHS CAMHS.

In a similar development, in a number of Place2Be schools, we have adapted the traditional model to include a peripatetic single counsellor. In these projects, the counsellor provides a whole school approach to wellbeing and mental health to a number of schools, delivering a number of one-to-one interventions along with group work and support for teachers and school leaders. This new approach allows us to reach more schools and children who may otherwise have been unable to access support.

In March 2018, Place2Be teamed up with Alliance for Learning, Youth Sports Trust, 42nd Street and local children and adults' mental health services to deliver the Greater Manchester Mentally Healthy Schools and Colleges programme. Part of the **Greater Manchester Trailblazer** (in response to the Government's Green Paper), this ground-breaking, first of its kind programme is part of a £134m action plan to help to transform mental health in Greater Manchester for children and adults.

In addition to delivery of the MHC School Leaders programme across the Greater Manchester region, we are working across 26 primary schools providing each with a Mental Health Practitioner, one day per week. Each works one-to-one with up to five children per day, allowing us to reach 130 children per week. The project's expansion in 2019 will see a total of 125 schools and colleges receiving mental health support – that's one in 10 schools in Greater Manchester.

With the support of The Lord Mayor of London's Appeal, we are delighted to be partnering with the charity **OnSide Youth Zone** - onsideyouthzones.org - who recently opened their first youth centre in London. They provide world-class facilities to give young people somewhere safe and inspiring to go in their leisure time. Place2Be is testing a service within the Youth Zone, reaching young people aged 8 - 19 with the same 'whole school' ethos. This involves the recruitment of a Place2Be counsellor who will deliver support as an integrated part of the Centre's offering.

In March and April 2019, we worked with research group The Participation People to inform future delivery. This initially involved a survey of almost 3,000 young people and six focus groups, to help us a) understand what the main barriers are to secondary school age students seeking support when they are worried about their mental health and b) learn how we could use technology to overcome these barriers. This work is being supported by Place2Be's Technology Advisory Group who will inform thinking and

prioritisation of our focus on digital practice. We will also form a reference group of young people who will continue to inform our work in the coming years.

Place2Be closed the financial year on a high with our *Wellbeing in Schools Awards*. Held at the Mandarin Oriental Hotel and hosted by Place2Be celebrity ambassador Katie Thistleton, this year's awards were an opportunity to thank our corporate donors and supporters in person, and to showcase the real difference their support makes to the lives of children, young people, teachers and parents. This special event recognised and celebrated the passion and hard work of the individuals and teams who address the stigma attached to mental health issues, and celebrated those who deliver and champion mental health support in schools across the country.

Organisational development and capacity

As set out earlier, to leverage our expertise and reach more schools cost-effectively, and in line with market needs, we have been developing and implementing a more flexible offer, enabling schools to access the service which best meets their needs. We are progressing work on our business strategy with a view to creating the capacity to accelerate our partner school numbers in 2019.

Work at Place2Be's new London office in Clerkenwell was completed in this financial year, creating a fit-for-purpose space, enabling us to host more training sessions and provide a more welcoming space for staff and visitors.

We were delighted to appoint Professor Tamsin Ford as our first Research Chair. We also established a formal partnership with King's College London, building on our commitment to learning and evidence, ensuring we are constantly refining and improving our practice and able to share our expertise to inform the practice of others.

Sharing best practice

In recognition of our work, Place2Be received the 2018 **Model Program of Best Practice in School-Based Family Counselling Award**. This was presented by the Institute for School-Based Family Counselling, a US-based organisation with a mission to promote the academic and personal success of children through school-based counselling: *"The selection committee regards Place2Be as an exemplar of School Based Family Counselling because of its emphasis on interventions that link home and school, the size and longevity of its programs, and the fiscal model that sustains its existence."*

In February 2019, Place2Be's fifth annual **Children's Mental Health Week** took place with the theme of Healthy: Inside and Out. We produced an array of free resources including assembly plans and top tips to help schools and youth groups explore different ways of looking after their bodies and minds. Our resources were downloaded over 48,800 times (up 42% vs 2018). Our media activity generated live broadcast coverage on Channel 5 News, 1,223 press articles, an increase of over 250% from 2018. We also sponsored and co-hosted a clinical conference with Psychotherapy Excellence at the QE2 Centre in London, where Professor Dan Siegel of UCLA delivered the keynote speech.

We were delighted to be chosen by the incoming President of the National Association of Head Teachers (NAHT), Andy Mellor, as **NAHT's charity partner** for the year from May 2018-April 2019. NAHT has worked closely with Place2Be for a number of years, most recently playing an active role in developing and advising on content for the **Mentally Healthy Schools** website. The partnership has raised mental health awareness in primary schools among a key target audience, as well as donations through various fundraising activities.

Policy and driving system change

We have continued to grow our influence on policies supporting children's mental health to ensure they remain a government priority. We have been feeding into national and local conversations in response to the Government's 2017 Green Paper, *Transforming Children and Young People's Mental Health*, to identify opportunities for Place2Be, as well as possible impacts on our services. Our position is as follows:

1. *Training for Designated Senior Leads for Mental Health:* Place2Be's MHC School Leaders fulfils many of the needs outlined by the DfE.
2. *Establishing Mental Health Support Teams:* Place2Be has fed into the national curriculum for practitioners and our CEO sits as a member of the expert reference panel.
3. *Trailblazer sites:* There are currently 25 sites across England who will implement each component of the Green Paper. The initiatives are in addition to existing services. In Greater Manchester, for example, we form part of the Trailblazer site through the Mentally Healthy Schools project where we work with 125 schools.

Fundraising

We ended 2018/19 well ahead of target, raising £7.8 million. Place2Be is very grateful to our supporters for their belief in our work which enables us to improve the mental wellbeing and prospects of children, their families and school communities across the UK. We have a diverse fundraising portfolio which encompasses philanthropy, corporate and trust donors, events, individual supporters and grants.

As in previous years, we have benefited from the generous support of many Trusts and Foundations. We are very grateful to our committed funders who have given us unrestricted funding including the Mohn Westlake Foundation, People's Postcode Lottery, the Peter Cundill Foundation, the Bernard Lewis Family Charitable Trust and the Pears Foundation. We also remain thankful to the Royal Foundation for their continued support in enabling the Mentally Healthy Schools website which we have developed in partnership with Young Minds and the Anna Freud Centre.

We are delighted to be working with a broad portfolio of corporate partners who support us through employee fundraising, grants, customers' donations, volunteering and pro-bono expertise. We are especially grateful to all of the organisations who have continued or extended their support. In 2018/19 we secured a number of new partnerships including with Coutts, Clyde & Co, Deloitte, Orbis Investments, Pinsent Masons and White & Case. Just a few of our wider highlights include Citibank extending their support through their global 'e for education' campaign, UBS enabling our expansion in Hackney, and our continuing partnership with The Lord Mayor's Appeal.

We are very grateful to everyone who took part in a challenge event for Place2Be - running marathons, trekking up mountains and completing Tough Mudders – and to Rigby Group for taking on a hiking and cycling challenge in The Lake District. We are so pleased to have the support of individual philanthropists who believe in our work and are grateful to the schools and community groups across the country who organised events in aid of Place2Be. In 2018/19 we delivered a wonderful Carol Concert and competitive Charity Golf Day; thank you to all of the participants and our committees who helped to organise these events.

In February 2019 we were also honoured to be chosen as the focus of BBC One's Lifeline appeal. The short film, presented by Kate Silverton, featured our work in schools and first-hand accounts from families and individuals we have supported. It raised over £15,000 in donations from viewers.

We look forward to an exciting year ahead where we continue to grow with the help of our generous supporters.

Looking forward

2019/20 marks our 25th year, a key milestone in Place2Be's history and development. To mark this anniversary, we have launched our *Champions' Fund*, with a target to raise an additional £1m in donations, to set us in good stead for our future development. Piloting, evaluating and implementing have always been crucial components of our clinical practice. Additionally, disseminating our learning to benefit a wider audience ensures Place2Be continues to be a thought leader in the field of in-school mental health services, contributing to the national agenda. In 2019-20 we will:

1. Work in up to 700 schools, delivering 20% year on year growth. We will continue to respond to the needs of individual school communities with a flexible offer.
2. Deliver **55** new cohorts of MHC training, building the capacity, resilience and understanding of an estimated 825 school leaders and classroom teachers. We will also evaluate the follow-on impact of delivery completed in 18-19 using this to inform further service refinement and development.
3. Train over 650 child mental health professionals through our Professional Qualifications. Accredited courses range from Level 2, 3, 4 and 5 Certificates in Counselling Skills with Children, through to a Postgraduate Diploma and Masters in Counselling Children in Schools.
4. Share learning of 'what works' to address the challenge of how to intervene early and reduce the burden of mental illness in later years. We will achieve this through increased visibility, as with Children's Mental Health Week, and by publishing practice in academic journals (target of two publications) as well as mainstream media.
5. Undertake a comparison study using the National Pupil Database to further explore and seek to evidence the impact of Place2Be's work on children's learning. We will also put in place the baseline for a longitudinal study with a view to understanding the long-term benefits of our interventions.
6. Continue to play a key role in-putting in a targeted way to policy work across Government departments (in England, Scotland and Wales). The Government's implementation programme for the Green Paper on mental health in schools (England) and teacher training are key areas in focus.
7. Bring our comprehensive training offer and delivery model into the digital space by combining face-to-face teaching with digital opportunities ('blended learning'), working with Hive Learning and King's College London. This will enhance scalability and flexibility, and improve and strengthen the learner's experience.
8. We will launch a new mobile responsive website, our 'front door', which is optimised for our key audiences. This will reflect a shift in positioning from a provider of services in schools to an expert mental health partner and training provider, ensuring the site reflects the breadth of Place2Be's work.
9. We will embed our work with Mental Health Innovations and Shout, widening its availability to our MHC school community. We will use findings from the Youth Engagement study to further understand young people's needs in this space and inform practice development.
10. We will strengthen back office systems including: the next phase of the Customer Relationship Management implementation; enhancing our Research and Evaluation function; our recruitment (introducing an Applicant Tracking System); and introduce electronic expense processing.

SECTION 2: Strategic Report

Section 2b: Organisational purpose and public benefit

Place2Be's objectives and activities are in line with the Charity Commission's guidance on public benefit. The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing Place2Be's objectives and activities.

Our services fall within the general charitable purpose of the advancement of health and education, specifically by providing mental health services in schools. Our immediate beneficiaries are the children and young people, as well as their families and school communities.

The Trustees meet annually to discuss strategy and to review the strategic plan in the light of the external environment. Following this meeting the Trustees agree the updated plan at their next Board meeting which is then delegated to the Executive to implement. The Business Strategy Committee meets quarterly to review progress against the plan and the Board of Trustees receive regular updates. In this way the purpose of the organisation is kept in focus and activities to increase the reach and impact are planned and monitored.

Leadership

All members of the Board of Trustees are committed to Place2Be's aims and values and understand their role as Place2Be's strategic leaders. The strategic business of the charity is discussed at quarterly Board meetings. Most Trustees are also involved in committee meetings which provide an opportunity to provide strategic leadership in more depth. The CEO directs Place2Be's activities, supported by the Executive team which meets formally on a monthly basis.

Our staff and pay structures

During the year to March 2019 we had an average of 485 staff, an increase of 27 from last year. Place2Be 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.

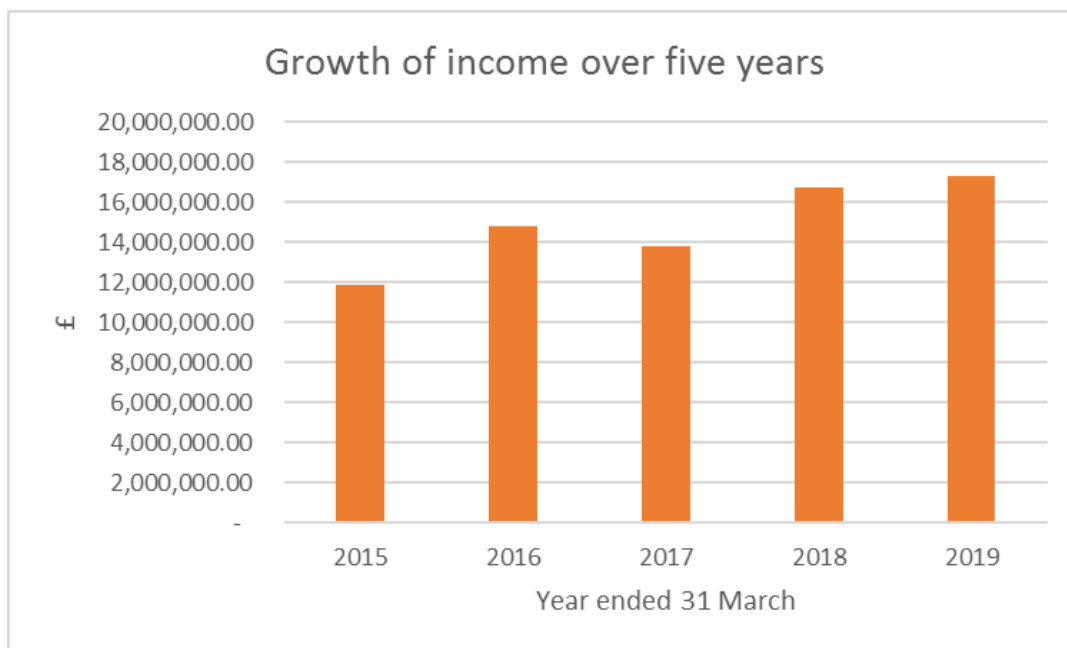
Remuneration policy is set by the Remuneration Committee, who have oversight of its implementation and application. Specific responsibilities include:

- Monitoring sector pay levels and practices through participation in relevant surveys;
- Reviewing and approving the annual salary budget; and
- Reviewing and approving individual pay recommendations for the senior executive team.

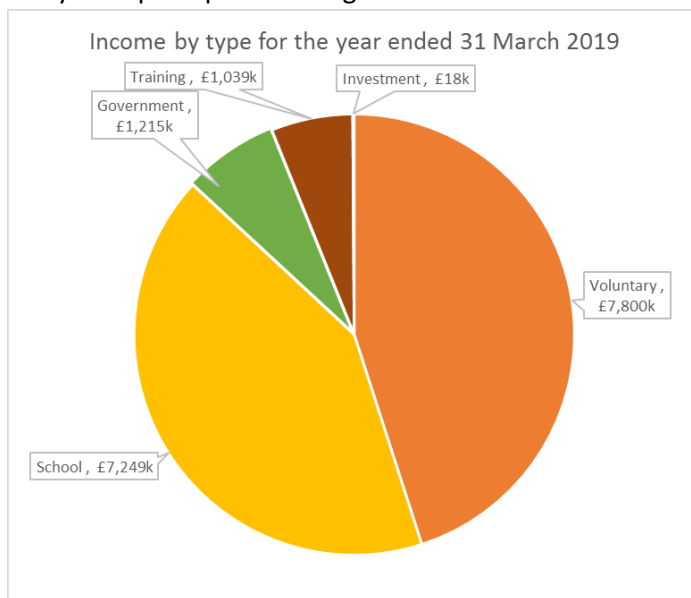
SECTION 2: Strategic Report

Section 2c: Income, expenditure and balance sheet

Income for the year amounted to £17.3 million. This continues a trend of increased income over the past five years, with an additional £2 million being received during the year ended 31 March 2016 as a one-off donation.



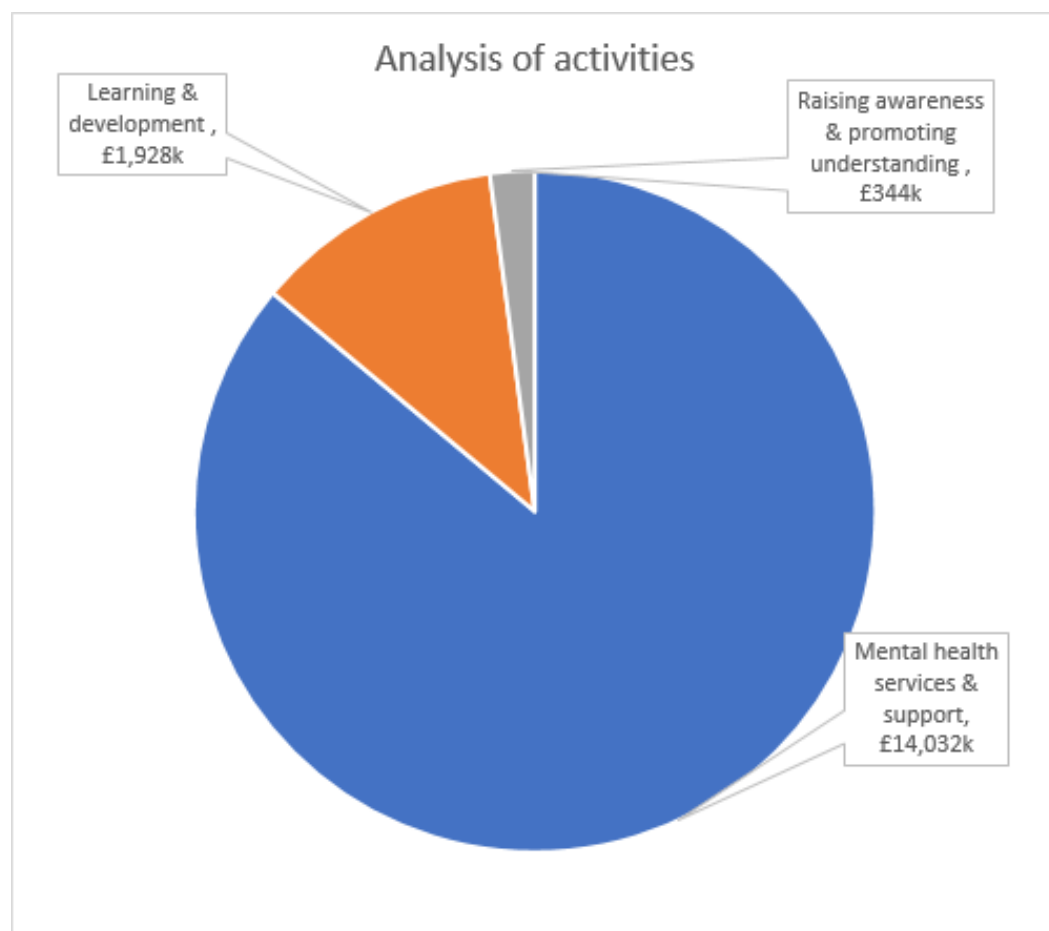
Our income increased over the previous year reflecting the increasing scope and reach of our activities. An analysis of principal incoming resources is shown in notes 3-6 of the accounts and graphically below.



In line with our strategy we have been able to diversify our activities to allow us to reach a greater audience through Learning and Development and through increasing public understanding of children's mental health needs.

Analysis of expenditure on charitable activities

	Total £000	Mental health services and support £000	Learning and development £000	Raising awareness and promoting understanding £000
Total 2019	16,304	14,032	1,928	344
Total 2018	14,981	13,129	1,506	346



The financial performance of the charity has been affected by:

- The refurbishment of our new home at 175 St John Street which we completed in July 2018. This, and the payment of the rent in advance for the period of the lease means we hold lower cash balances than previously; and
- The revaluation of our former head office building at Angel Gate. We have retained ownership of this property and plan to generate rental income from it. As it is no longer held as an operational property we have revalued it to market valuation which resulted in an investment gain of £2,229k;
- The first full year of The Art Room subsidiary operating under the control of Place2Be.

Balance Sheet

The main changes in the Balance Sheet compared to previous years are as follows.

	31-Mar-19	31-Mar18	
	£'000	£'000	
Tangible assets	6,883	3,926	As noted above we have revalued our property at Angel Gate to reflect its new use. We have also invested £203k in IT projects and £816k completing the refurbishment of our new HQ.
Debtors	4,062	5,351	This includes the pre-payment of rent on the ten year lease of our new building which is reducing by £384k per year. Credit control processes have been improved to ensure we manage our debtor position as effectively as possible.
Cash at bank and in hand	2,512	1,813	Our cash balances are starting to rise again due to working capital control and two very generous donations towards the end of the financial year.
Creditors - Amounts falling due within one year	(1,946)	(2,211)	The decrease over the previous year is mainly due to a reduction in trade creditors reflecting the completion of the capital projects in 2018.
Creditors - Amounts falling due after more than one year	(738)	(828)	We have made scheduled repayments on our loan.

Reserves

Place2Be reserves, comprising restricted, designated, and general funds are described and summarised in note 18. During the year there was a net increase of £2.2 million in group charitable funds bringing total value of funds to £10.8 million. The main cause for the increase was the revaluation of Angel Gate by £2.2 million after the reclassification from tangible asset to investment property.

Restricted funds have decreased from £1.3 million at 31 March 2018 to £0.7 million at 31 March 2019. The main causes for this decrease are: timing differences between the receipt of restricted funding in 2017/18; the expenditure of the restricted funds in 2018/19; and a reduction in restricted income received in 2018/19.

General Funds of £4.0m represent the reserves available to the charity as its core capital. The Trustees and specifically the Finance and Audit Committee monitor the level of General Funds in the context of the level of Place2Be's business and risks, with a specific review once each year. At 31 March 2019 General Funds have increased to approximately four months' worth of operating costs, one month in excess of the target level of three months required by Trustees.

The unrestricted designated reserves include The Development and Strategic Priorities Fund of approximately £192k. The purpose of this fund is to assist growth of the organisation's future capability. Place2Be has drawn down £474k of this fund during the year in order to improve the ability of the organisation to support its growing activity in schools and in training. Investment has centred around improving processes and IT systems, development of the Executive Team and implementation of a new Customer Relationship Management (CRM) system. No increased funds were designated to the Development and Strategic Priorities Fund during the year. We aim to spend the balance over the next year and will also seek to replenish the fund and support the continuing growth and development of the Place2Be's core capability.

The Property Fund of approximately £5.8 million has increased due to investment in improvements to our new Head Office and the revaluation of Angel Gate. This fund represents the amount of Place2Be's own funds that are invested in property assets. Finally, we have The Future Awards Ceremonies Fund which stands at £59k at the year end. The next such Awards ceremony is planned for 2020/21.

SECTION 2: Strategic Report

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 Place2Be and have implemented a broad range of risk management processes. A Risk Committee meets quarterly to review current risks across all activities and departments.

Our key risks are:

Safeguarding

As we work with vulnerable children and families, safeguarding is of the greatest importance to Place2Be. We have a comprehensive framework of consents, controls, policies and reviews to manage the associated risks and act promptly and appropriately if concerns are raised. All field staff and CoPs are required to complete a safeguarding induction course before commencing their role. This course provides training in how to apply the safeguarding policy and procedure. Following this, the organisation has a requirement for annual refresher safeguarding training. Our beneficiaries are provided with an explanation of our safeguarding procedure before they begin working with us. To ensure policies are adhered to, safeguarding practice is reviewed via line manager supervision, internal audits and an externally commissioned audit. The Risk subcommittee of the Trustee board receives quarterly updates on safeguarding.

Financial

As with any charitable organisation, we need to manage and mitigate financial risks. We continually review and refine our fundraising and income generation activities considering changes in the external environment. We are very aware of the ever-increasing pressure on school budgets and work closely with partner schools to ensure that we provide them with affordable high-quality services. We control our expenditure very carefully to ensure that we can make the maximum impact on the mental health of children and young people within the resources we have available.

Changing external environment

The external interest and developments in children's mental health offer significant opportunities to us as an organisation, and we have been able to use our expertise and experience to inform and shape policy. We are delighted to see the changes heralded by the Green Paper turn into improvements in provision for young people and are actively engaged in a number of initiatives. This increased focus has seen more providers developing services and we welcome this competition and remain focussed on ensuring the services we provide are of the highest quality.

Counsellors on Placement (CoPs)

One area of primary risk is our reliance on CoPs in training to provide our 1:1 support. The risk is associated with sourcing, selecting, training and retaining CoPs to deliver the service. The quality of Place2Be's own training offer ensures that there is mutual benefit to both the charity and the CoP and offers a qualification which specialises in working with children. Our Counsellor on Placement recruitment team build relationships with academic institutions that provide training in counselling to make sure that the opportunity we offer is made available to trainees in geographical areas where we have a need for CoPs. We work closely with the BACP and the UK Council for Psychotherapy (UKCP) to make sure that our placement programmes and training are relevant and valued by the profession.

SECTION 3: Governance and management

Place2Be is governed in accordance with its Memorandum and Articles of Association by the Board of Trustees. The Memorandum and Articles of Association were last amended on 18 July 2007. Since the Charity Governance Code was launched on the 13th July 2017, Place2Be 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 committed to supporting the charity to deliver its objects most effectively for its beneficiaries' benefit and contribute to the charity's continued improvement. In addition, the Board leads the development of a long-term strategy and monitors progress against that strategy, has clear risk management processes and a scheme of delegation of authority which defines boundaries for the Executive's ability to conduct business.

We continue to consider the ways in which Place2Be can improve the charity's governance standards, increase our overall effectiveness as an organisation and comply fully with this new code.

Integrity

Place2Be takes our responsibility to protect the privacy and safety of everyone we work with very seriously. Integrity is one of our core values and is applied to everything we do, from ensuring client data is kept safely, to having in depth and robust policies to protect staff and those we work with. We maintain a register of any conflicts of interests which may arise for Trustees and other Trustees then decide how to deal with these.

Board effectiveness

The Trustees select and appoint individuals to act as new Trustees based upon a skills review which identifies the skills needed on the Board. New Trustees are then sought based on the results of the skills review. An initial term of four years is usual, with review and possible extension of a further four years, and thereafter at the Board's discretion. As the charity is a company limited by guarantee with no share capital, Trustees have no personal interest in it. New Trustees undertake an induction programme including a school visit, meetings with the CEO and senior management, and attendance at events.

Diversity

Place2Be is committed to increasing the diversity of both its employees and CoPs. A Diversity and Inclusion Project commenced on 1 November 2017, with an internal steering group meeting regularly and reaching out to partners (including colleges and counselling bodies) to identify and address broader trends.

We published our second gender pay gap report in March 2019. The mean gender pay gap at Place2Be was 10.5%, based on a snapshot of 454 staff on 5 April 2018. This is a small decrease from the previous year when we published our first report. Our gender pay gap is driven by the fact that a greater proportion of Place2Be's male employees are at our head office and so in the upper quartile salary band. We are undertaking a number of measures to improve the pay gap, including continuing to operate a competency-based approach to recruitment and promotion and expanding our internal talent pathway for clinical staff.

Openness and accountability

The Board and the Executive team recognise the importance of openness and transparency in communications with funders, donors, commissioners, schools and beneficiaries. Our annual accounts and report are published in full on our website, and we respond quickly and fully to any queries about our work whilst maintaining strict client confidentiality. We have a disclosure policy which supports members of staff to raise any concerns they may have.

Decision-making and control

The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored. Board papers are circulated in advance of meetings so that Trustees have the opportunity to consider matters on the agenda and where appropriate consult externally. The Board regularly reviews its Contractual and Financial Delegation and Sign Off Procedures to ensure that Trustees retain control of the charity while enabling the Executive to deal with the day-to-day running of the charity in a timely way. Board meetings are run in an open manner so that everyone can have their say, and Trustees with relevant skills are appointed to sub-committees where issues are addressed in more depth. The Board has sub-committees with delegated authority for: Finance and Audit, Practice and Quality, Risk, Business Strategy, Nominations and Remuneration. In addition, there is a Research Advisory Group and a Development Advisory Group for Scotland.

Fundraising code of practice

We value our supporters and donors and put them at the centre of all our fundraising activity. We are registered with the Fundraising Regulator self-regulatory scheme, and as members 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.

Fundraising activities are not outsourced to professional fundraisers or commercial participators. Place2Be'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.

Investment policy

Place2Be, through the Finance and Audit Committee, has adopted a prudent approach to the investment of surplus funds, investing primarily in a small number of secure cash interest bearing deposits. The need to spread risk is balanced against the practicalities of administering numerous accounts.

The Trustees' investment policy considers social, environmental and ethical considerations. The Trustees consider the performance of its cash and investments was adequate during the year.

The Trustees have decided to retain the Property 13/14 Angel Gate, previously used as the charity's Head Office building as an investment property and as such it has been revalued to be included in the accounts at its current market value.

SECTION 4: Going concern statement

The Trustees have reviewed the circumstances of Place2Be and of the group and consider that adequate resources are available to fund the activities of the group for the foreseeable future. Twelve-month rolling cashflow projections are included in management's regular financial reports to Trustees, and income and expenditure is monitored against budget. The Trustees are of the opinion that the charity and the group are a going concern and the accounts have been prepared on this basis.

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 Partner Schools to meet with employees and listen to their views. Place2Be has implemented several detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Health and Safety Policy

In accordance with Place2Be's Equal Opportunities Policy, Place2Be 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 year 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.

Section 7: Statement of disclosure to auditors

Crowe U.K. LLP has indicated its willingness to be reappointed 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 Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees of Place2Be on 25 September 2019, including in their capacity as company directors approving the Directors' and Strategic Reports contained therein, and is signed as authorised on its behalf by:



Simon Mackenzie Smith
Chair of Trustees
25 September 2019

TRUSTEES' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

The Trustees (who are also directors of Place2Be for the purposes of company law) are responsible for preparing the group strategic report, the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Place2Be (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated 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 group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's 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.

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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual 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 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.

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 including the Group Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- The Trustees' Report and the Group Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' Report including the Group Strategic 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 requires us to report to you if, in our opinion:

- The parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.
-

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 group's and the parent 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 group or the parent 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

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 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



18. 11. 19

Nicola May (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London
EC4Y 8EH
Date:

Crowe U.K. LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019**

		Unrestricted funds	Restricted funds	Total funds	Total funds 2018 £000
	Note	2019 £000	2019 £000	2019 £000	
Income from:					
Donations and legacies	3	4,967	2,833	7,800	7,583
Charitable activities	4	8,395	1,108	9,503	8,750
Donation of The Art Room charity funds	5	-	-	-	365
Investments	6	18	-	18	17
Total income		13,380	3,941	17,321	16,715
Expenditure on:					
Raising funds	7	993	36	1,029	815
Charitable activities	8	12,237	4,067	16,304	14,981
Total expenditure		13,230	4,103	17,333	15,796
Net income / (expenditure) before investment gains		150	(162)	(12)	919
Net gains on revaluation	12	2,229	-	2,229	-
Net income / (expenditure) before transfers		2,379	(162)	2,217	919
Transfers between Funds	18	390	(390)	-	-
Net movement in funds		2,769	(552)	2,21	919
Reconciliation of funds:					
Total funds brought forward		7,273	1,283	8,556	7,637
Total funds carried forward		10,042	731	10,773	8,556

The notes on pages 38 -55 form part of these financial statements.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2019

	Note	£000	2019 £000	2018 £000
Fixed assets				
Tangible assets	11	2,684		3,925
Investment property	12	<u>4,198</u>	-	-
Total tangible assets			6,882	3,925
Investments	13		<u>1</u>	<u>1</u>
			6,883	3,926
Current assets				
Stocks	14	-		4
Debtors	15	4,015		5,377
Cash at bank and in hand		<u>2,561</u>	<u>2,324</u>	
		6,576	7,705	
Creditors: amounts falling due within one year	16	<u>(1,948)</u>	<u>(2,247)</u>	
Net current assets			<u>4,628</u>	<u>5,458</u>
Total assets less current liabilities			11,511	9,384
Creditors: amounts falling due after more than one year	17	<u>(738)</u>	<u>(828)</u>	
Net assets			<u>10,773</u>	<u>8,556</u>
Charity funds				
Restricted funds	18	731		1,283
Unrestricted funds	18	<u>10,042</u>	<u>7,273</u>	
Total funds			<u>10,773</u>	<u>8,556</u>

The results of Place2Be for the year ended 31 March 2019 was a surplus of £492k (2018: £414k) before gain on revaluation.

The financial statements were approved and authorised for issue by the Trustees on 25 September 2019 and signed on their behalf, by:



Mr Simon Mackenzie Smith, Chair



Catherine Roche, Chief Executive

The notes on pages 38 -55 form part of these financial statements.

CHARITABLE COMPANY BALANCE SHEET AS AT 31 MARCH 2019

	Note	£000	2019 £000	£000	2018 £000
Fixed assets					
Tangible assets	11	2,684		3,925	
Investment property	12	<u>4,198</u>		-	
Total tangible assets			6,882		3,925
Investments	13		<u>1</u>		<u>1</u>
			6,883		3,926
Current assets					
Debtors	15	4,062		5,351	
Cash at bank		<u>2,512</u>		<u>1,813</u>	
		6,574		7,164	
Creditors: amounts falling due within one year	16	<u>(1,946)</u>		<u>(2,211)</u>	
Net current assets			<u>4,628</u>		<u>4,953</u>
Total assets less current liabilities			11,511		8,879
Creditors: amounts falling due after more than one year	17		<u>(738)</u>		<u>(828)</u>
Net assets			<u>10,773</u>		<u>8,051</u>
Charity funds					
Restricted funds			731		780
Unrestricted funds			<u>10,042</u>		<u>7,271</u>
Total funds			<u>10,773</u>		<u>8,051</u>

The notes on pages 38 -55 form part of these financial statements.



Mr Simon Mackenzie Smith, Chair



Catherine Roche, Chief Executive

The notes on pages 38 -55 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	<u>1,345</u>	<u>(2,686)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(1,019)	(1,980)
Proceeds from sale of investments		<u>-</u>	<u>755</u>
Net cash used in investing activities		<u>(1,019)</u>	<u>(1,225)</u>
Cash flows from financing activities:			
Repayments of borrowings		<u>(89)</u>	<u>(89)</u>
Net cash used in financing activities		<u>(89)</u>	<u>(89)</u>
Change in cash and cash equivalents in the year		237	(4,000)
Cash and cash equivalents brought forward		<u>2,324</u>	<u>6,324</u>
Cash and cash equivalents carried forward	21	<u><u>2,561</u></u>	<u><u>2,324</u></u>

The notes on pages 38 -55 form part of these financial statements.

1. Accounting Policies

Place2Be is a private, limited by guarantee, company (registered number 02876150), which is incorporated in England and domiciled in the UK. The address of the registered office is 175 St. John Street, Clerkenwell, London, EC1V 4LW.

1.1 Basis of preparation of financial statements

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

Place2Be 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.

The Statement of Financial Activities (SOFA) and Balance sheet consolidate the financial statements of the charitable company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary, on a line-by-line basis. All intragroup transactions, balances, income and expenses are eliminated in full on consolidation.

The charitable company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

1.3 Income

Voluntary Income

Income received by way of donations 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.

Donated goods, facilities and services

Gifts in Kind and donated services are included at the value to Place2Be where this can be quantified. Where this is possible, this is based on estimated open market value. The value of services provided by CoPs is not included in these accounts. Further analysis is included in note 2.

Grants Receivable

Grants are recognised in the SoFA when received or when Place2Be becomes entitled to receive. Grants that have been received will be treated as deferred income where there is a specific requirement in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

Training Income

Training income is recognised when the training has been delivered. Invoiced amounts are held as deferred income until delivered.

School Services Income

Schools are typically invoiced in April for the year to end of March so as to be consistent with Place2Be financial year end. However, in some instances invoicing covers the school year to end August. In these instances revenue is pro-rated to recognise income attributable to the period.

1.4 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 generating funds, are regarded as being incurred in connection with charitable activities and include costs of services and support costs and depreciation. Costs of generating 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. Costs are categorised into the following categories: Mental health services and support, Learning and development and Raising awareness and promoting understanding. Irrecoverable VAT is included in Resources Expended.

1.5 Investments

Investments are those funds held on short term deposit. These are shown at market value and changes in value in the year, whether or not realised, are reported in the statement of financial activities.

1.6 Investment property

Property investments are valued using professional advice and on the basis of market value as defined in the RICS Appraisal and Valuation Manual ('The Red Book'). Independent valuations of relevant property investments have been carried out at 25 April 2019 by B Bailey & Co.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Refurbishment costs incurred as part of the leasehold improvements of 175 St. John Street have been capitalised and are being depreciated over the length of the lease being 10 years. All new equipment purchases with a capital value of more than £5,000, whether financed by the receipt of grants or paid for out of unrestricted funds, are depreciated on a straight line basis over two years. Smaller assets are treated as revenue expenditure in the year of purchase. Gifts in Kind comprising equipment donated to Place2Be are fully written off in the period in which the gift is received. There were no asset disposals in the year.

1.8 Stocks

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.

1.9 Financial instruments

Place2Be has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

At the balance sheet date, the group held financial assets at amortised cost of £3,217k (2018: £4,003k). Financial assets at fair value through income or expenditure of £nil (2018: £nil) and financial liabilities at amortised cost of £1,900k (2018: £2,421k).

1.10 Corporation tax

The taxation expense represents the aggregate amount of current tax payable in the reporting period. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

1.11 Pensions

Place2Be offers a group personal pension scheme through a major pension provider, which is open to all staff and contributes 4% of salary into each fund. Staff may contribute up to statutory ceilings subject to a minimum contribution of 3%. This is in full compliance with government statutory requirements on auto enrolment.

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 enrolment.

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 10.

1.12 Fund accounting

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

Designated Funds are unrestricted funds that have been set aside by the Trustees of the charity for specific purposes.

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

1.13 Key judgements and uncertainties

In the application of the charity's accounting policies, which are described in note 1, 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.

2. Services and facilities donated free of cost

The charity gratefully acknowledges receipt of voluntary services provided by volunteer counsellors and a wide range of advisers and other voluntary supporters.

Included in income is intangible income of £158k for the year (2018: £354k), representing gifts in kind, primarily in respect of legal and professional services estimated by the providers at £158k (2018: £330k). This income and corresponding expenditure is included in the accounts under appropriate headings and contained within the analysis reported in notes 3 & 8.

No financial value is attributed in these accounts to the considerable amount of time given by CoPs. Place2Be engages CoPs to perform counselling services in the schools it services. The typical 2.5 day service utilises on average four CoPs who each offer one day per week. Place2Be benefits from the services of over 1,450 (2018: 950) CoPs. This equates to over 39,000 (2018: 40,000) days or 270,000 (2018: 285,000) hours of professional counselling per year which remains unquantified in the Place2Be accounts.

3. Income from donations and legacies

	2019 £000	2018 £000
Companies and corporate trusts	3,040	2,733
Other trusts and charities	3,253	2,841
Corporate gifts in kind	158	354
Private donations and events sponsorship	1,349	1,655
Total	7,800	7,583

4. Activities in Furtherance of Charity Objectives

	Total funds 2019 £000	Total funds 2018 £000
Schools	7,249	6,807
Government and local government	1,215	1,008
Training	1,039	935
	9,503	8,750

There remain no unfulfilled conditions in relation to Local Government income.

5. Donation of The Art Room charity funds

	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Donation of The Art Room charity funds	-	365

6. Investment Income

	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Investment income	18	17

7. Costs of generating funds

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	2019 £000	<i>2018 £000</i>
Staffing costs	699	-	699	589
Advisors and consultants	170	2	172	26
Event costs	110	33	143	182
Other	14	1	15	18
	993	36	1,029	815

8. Charitable activities

	Mental health services & support 2019 £000	Learning & development 2019 £000	Raising awareness & promoting understanding 2019 £000	Total 2019 £000	<i>Total 2018 £000</i>
Direct costs	10,718	1,470	262	12,450	11,746
Central costs	3,314	458	82	3,854	3,235
Total 2019	14,032	1,928	344	16,304	14,981
<i>Total 2018</i>	<i>13,129</i>	<i>1,506</i>	<i>346</i>	<i>14,981</i>	

Within central charitable activities are governance costs of £134k (2018: £119k).

9. Net income / expenditure

This is stated after charging:

	2019 £000	2018 £000
Depreciation of tangible fixed assets:		
- owned by the charitable group	292	34
Auditor's remuneration - audit	17	19
Auditor's remuneration - other services	23	20

10. Staff costs

	Group 2019 £000	Group 2018 £000
Salaries	11,618	10,615
Social security costs	1,037	964
Employer's contribution to defined contribution pension schemes	438	400
Total	13,093	11,979

Employee information

Included in the above are redundancy and termination payments in the year to 31 March 2019 of £47k relating to 15 members of staff (2018: £26k and 11 members of staff). All amounts were paid before 31 March 2019.

The average number of persons employed by the charitable company during the year was as follows:

	2019 No.	2018 No.
Operations, Training and Research	434	386
Fundraising	16	38
Support (including HR, Finance and IT)	34	34
	484	458

Average headcount expressed as a full time equivalent:

	2019 No.	2018 No.
Operations, Training and Research	295	262
Fundraising	16	33
Support (including HR, Finance and IT)	32	31

	<u>343</u>	<u>326</u>
The number of higher paid employees was:		
	2019	2018
	No.	No.
In the band £60,001 - £70,000	5	2
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	0
In the band £100,001 - £109,999	2	1
Pension costs associated with those staff in the higher income bands totalled £26k (2018: £12k).		

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:

	2019	2018
	£000	£000
Trustees	-	-
Executive team	738	605

Travel expenses reimbursed to 5 (2018: 4) Trustees during the year amounted to £1,014 (2018: £410).

In addition to the key management remuneration noted above, £90k was paid during the year to contractors acting as key management in an interim capacity.

11. Tangible Fixed Assets

Group and Charitable company	Long leasehold Land & Buildings £000	Computers and Other assets £000	Total £000
Cost			
At 1 April 2018	4,337	237	4,574
Additions	816	203	1,019
Transfer to Investment property	(2,511)	-	(2,511)
At 31 March 2019	<u>2,642</u>	<u>440</u>	<u>3,082</u>
Depreciation			
At 1 April 2018	542	107	649
Charge for the year	206	86	292
Transfer to Investment property	(543)	-	(543)
At 31 March 2019	<u>205</u>	<u>193</u>	<u>398</u>

Net book value

At 31 March 2019	<u>2,437</u>	<u>247</u>	<u>2,684</u>
At 31 March 2018	<u>3,795</u>	<u>130</u>	<u>3,925</u>

All fixed assets are used for direct charitable purposes.

12. Investment Property

Group	Angel Gate £000
Valuation	
Transfer from tangible fixed assets	1,969
Gain on revaluation	<u>2,229</u>
At 31 March 2019	<u>4,198</u>

The 2019 valuations were made on an open market value for existing use basis.

The cost of the Angel Gate property has been included for the first time this year at B Bailey & Co's valuation of £4,580k less the value of works performed after the year-end of £382k.

The property was transferred to investment property on the basis that the property is no longer being used for operational purposes by the charity.

13. Fixed asset investments

Group and Charitable company	COIF £000
Market value	
At 1 April 2018 and 31 March 2019	<u>1</u>

14. Stocks

	Group		Charitable company	
	2019 £000	2018 £000	2019 £000	2018 £000
Raw materials and consumables	<u>-</u>	<u>4</u>	<u>-</u>	<u>-</u>

15. Debtors

	Group		Charitable company	
	2019 £000	2018 £000	2019 £000	2018 £000
Trade debtors	531	680	471	660
Amounts owed by group undertakings	-	-	108	4
Other debtors	28	12	28	12
Prepayments and accrued income	3,456	4,685	3,456	4,675
	4,016	5,377	4,063	5,351

Included within debtors is a prepayment which will be released after more than one year amounting to £2,836k (2018: £3,226k)

16. Creditors: Amounts falling due within one year

	Group		Charitable company	
	2019 £000	2018 £000	2019 £000	2018 £000
Bank loans and overdrafts (secured)	122	122	122	122
Trade creditors	432	887	430	879
Corporation tax	53	-	53	-
Other taxation and social security	293	270	293	259
Other creditors	124	91	124	89
Accruals and deferred income	924	877	924	862
	1,948	2,247	1,946	2,211

Deferred income analysis:

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

	2018 £000	Released in the year £000	Deferred in the year £000	2019 £000
School service funders	119	(119)	63	63
Training	265	(265)	281	281
Grant funders	-	-	158	158
Total	384	(384)	502	502

17. Creditors: Amounts falling due after more than one year

	<u>Group</u>		<u>Charitable company</u>	
	2019	<i>2018</i>	2019	<i>2018</i>
	£000	<i>£000</i>	£000	<i>£000</i>
Bank loans	738	<i>828</i>	738	<i>828</i>

This assumes a repayment of £122k per annum and an interest rate of 3.5%.

The loan is secured by a first charge over the whole of the long leasehold land and buildings at Angel Gate. It is repayable over 20 years from 2007 and monthly repayments commenced in May 2009. The current rate is the Bank of England base rate plus 3.0% p.a on the reducing balance.

Commitments relating to Angel Gate property:

	2019	<i>2018</i>
	£000	<i>£000</i>
Not later than one year	122	<i>122</i>
Later than one year and no later than five years	490	<i>490</i>
Later than five years	249	<i>338</i>
Total	<u>861</u>	<i><u>950</u></i>

This assumes a repayment rate of £122k per annum and an interest rate of 3.5%.

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018	Income	Expenditure	Transfers in/(out)	Gains/ (Losses)	Balance at 31 March 2019
	£000	£000	£000	£000	£000	£000
Designated funds						
Property Fund	2,845	-	-	701	2,229	5,775
Development and Strategic Priorities Fund	666	-	(474)	-	-	192
Future Awards Ceremonies	70	-	(11)	-	-	59
	<u>3,581</u>	<u>-</u>	<u>(485)</u>	<u>701</u>	<u>2,229</u>	<u>6,026</u>
General funds						
General Funds - all funds	<u>3,692</u>	<u>13,380</u>	<u>(12,745)</u>	<u>(310)</u>	<u>-</u>	<u>4,016</u>
Total Unrestricted funds	<u>7,273</u>	<u>13,380</u>	<u>(13,230)</u>	<u>390</u>	<u>2,229</u>	<u>10,042</u>
Restricted funds						
Voluntary Income and School Service Funders	213	2,170	(2,342)	-	-	41
The Art Room	503	495	(866)	-	-	132
Grenfell	241	286	(317)	-	-	210
Heads Together	10	90	(47)	-	-	53
Impetus - PEF	150	-	(150)	-	-	-
Research	50	-	(50)	-	-	-
Mental Health Champions Programme	116	20	(121)	-	-	15
Citibank	-	34	(34)	-	-	-
City Bridge Trust	-	54	(54)	-	-	-
Esmée Fairbairn	-	95	(95)	-	-	-
Kent Training	-	24	(7)	-	-	17
M-Pact	-	20	(20)	-	-	-
St John Street Capital	-	390	-	(390)	-	-
Voreda Investments Ltd	-	263	-	-	-	263
	<u>1,283</u>	<u>3,941</u>	<u>(4,103)</u>	<u>(390)</u>	<u>-</u>	<u>731</u>
Total of funds	<u>8,556</u>	<u>17,321</u>	<u>(17,333)</u>	<u>-</u>	<u>2,229</u>	<u>10,773</u>

Statement of funds - prior year

	Balance at 1 April 2017 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 March 2018 £000
Designated funds						
Property Fund	2,432	-	-	413	-	2,845
Development and Strategic Priorities Fund	1,697	-	(312)	(719)	-	666
Future Awards Ceremonies	70	-	-	-	-	70
	<u>4,199</u>	<u>-</u>	<u>(312)</u>	<u>(306)</u>	<u>-</u>	<u>3,581</u>
General funds						
General funds - all funds	<u>3,214</u>	<u>10,643</u>	<u>(11,939)</u>	<u>1,774</u>	<u>-</u>	<u>3,692</u>
Total unrestricted funds	<u>7,413</u>	<u>10,643</u>	<u>(12,251)</u>	<u>1,468</u>	<u>-</u>	<u>7,273</u>
Restricted funds						
Voluntary Income and School Service Funders	-	2,934	(2,721)	-	-	213
Grenfell	-	354	(113)	-	-	241
Heads Together	-	101	(91)	-	-	10
Impetus - PEF	120	103	(73)	-	-	150
Research	-	50	-	-	-	50
MHC Programme	79	121	(84)	-	-	116
Esmée Fairbairn Foundation	24	35	(59)	-	-	-
Property	-	1,468	-	(1,468)	-	-
Comic Relief/The Royal Foundation	1	131	(132)	-	-	-
Clinical Development	-	52	(52)	-	-	-
The Art Room	-	723	(220)	-	-	503
	<u>224</u>	<u>6,072</u>	<u>(3,545)</u>	<u>(1,468)</u>	<u>-</u>	<u>1,283</u>
Total of funds	<u>7,637</u>	<u>16,715</u>	<u>(15,796)</u>	<u>-</u>	<u>-</u>	<u>8,556</u>

Summary of funds – current year

	Balance at 1 April 2018	Income	Expenditure	Transfers in/(out)	Gains/ (Losses)	Balance at 31 March 2019
	£000	£000	£000	£000	£000	£000
Designated funds	3,581	-	(485)	-	2,229	5,325
General funds	3,692	13,380	(12,745)	390	-	4,717
Unrestricted funds	7,273	13,380	(13,230)	390	2,229	10,042
Restricted funds	1,283	3,941	(4,103)	(390)	-	731
	8,556	17,321	(17,333)	-	2,229	10,773

Summary of funds – prior year

	Balance at 1 April 2017	Income	Expenditure	Transfers in/(out)	Balance at 31 March 2018
	£000	£000	£000	£000	£000
Designated funds	4,199	-	(312)	(306)	3,581
General funds	3,214	10,643	(11,939)	1,774	3,692
	7,413	10,643	(12,251)	1,468	7,273
Restricted funds	224	6,072	(3,545)	(1,468)	1,283
	7,637	16,715	(15,796)	-	8,556

The charity's funds fall into three groups

i) Restricted funds. These are funds, including grants, given for a specific purpose by the provider.

School Service Funders. This represents grants to support our work in specific schools or geographical areas.

The Art Room. Represents the funds of The Art Room (Oxford) which are specifically for activities in line with The Art Room's objectives.

Voluntary Income. This represents funds donated by charitable trusts to support our work in specific schools or geographic areas.

Citibank. Two year Charity of the Year Partnership which runs from January 2018 to December 2019. Funds are being raised to support our work in London.

City Bridge Trust. Funding for Place2Be Service Manager in the North West London area.

Esmée Fairbairn Foundation. £35k realised in 2017/18 (£118k in 2016/17) representing the final year of a four-year grant towards the development of Parent Work including the appointment of two Parent Counsellors in Ealing and Leeds.

Grenfell. Funding to support children affected by the Grenfell Tower fire.

Heads Together. Funding to develop the Heads Together alliance and to build the Mentally Healthy Schools website.

Comic Relief/The Royal Foundation. Joint funding in support of the M-PACT Plus project £20k (2018: 131k). The project supports families affected by substance misuse.

Impetus - Private Equity Foundation. A grant starting in February 2013, to develop work in secondary schools. Income received in the year was £nil (2018: £103k).

Research. Private donation towards research projects.

Mental Health Champions (MHC) Programme. Grant in support of the MHC Programme to enhance Newly Qualified Teachers' ability to support children's emotional wellbeing and improve the effectiveness of their teaching.

Voreda. Grant to support the capital appeal.

St. John Street Capital. Grants to support the capital appeal. Transfers out of the fund reflect expenditure on fixed asset leasehold improvements to St. John Street.

ii) Unrestricted designated funds comprise:

Development and Strategic Priorities Fund. The fund provides for the long term and is expected to be utilised in future periods to cover the additional costs in pursuing strategic priorities. During the year £474k has been used for IT, alumni and restructuring projects. Transfers out of the fund reflect expenditure on fixed assets such as computer software and equipment.

Property Fund. The fund represents the value of our properties at St. John Street and Angel Gate, net of the loan secured on the property at Angel Gate.

Future Awards Ceremonies Fund. The fund represents funds set aside for use in future Place2Be Awards Ceremony events. The next fundraising ceremony is scheduled for 2019.

iii) Unrestricted charitable fund. This represents the balance of Place2Be funds.

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	2,682	-	2,682
Fixed asset investments	1	-	1
Investment property	4,198	-	4,198
Current assets	5,847	731	6,578
Creditors due within one year	(1,948)	-	(1,948)
Creditors due in more than one year	(738)	-	(738)
	10,042	731	10,773

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	3,925	-	3,925
Fixed asset investments	1	-	1
Current assets	6,421	1,283	7,704
Creditors due within one year	(2,246)	-	(2,246)
Creditors due in more than one year	(828)	-	(828)
	7,273	1,283	8,556

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group	
	2019	2018
	£000	£000
Net income for the year (as per Statement of Financial Activities)	2,217	919
Adjustment for:		
Depreciation charges	292	53
Gain on revaluation	(2,229)	-
Decrease/(increase) in stocks	4	(4)
Decrease/(increase) in debtors	1,360	(4,386)
(Decrease)/increase in creditors	(299)	732
Net cash provided by/(used in) operating activities	<u>1,345</u>	<u>(2,686)</u>

21. Analysis of cash and cash equivalents

	Group	
	2019	2018
	£000	£000
Cash in hand	<u>2,561</u>	<u>2,324</u>
Total	<u>2,561</u>	<u>2,324</u>

22. Obligations under finance leases

The company entered into a 10-year lease agreement on 25 August 2017 for the rental of new head office premises. Principal rent amounts to £384,000 per annum and has been paid in full in advance.

	2019	2018
	£000	£000
Lease payments recognised as an expense	<u>384</u>	<u>230</u>

23. Related party transactions

During the year the charitable company traded with its subsidiary, The Art Room (Oxford). Place2Be paid for staffing costs on behalf of The Art Room (Oxford) amounting to £85.9k (2018: £6k), received donations on behalf of The Art Room (Oxford) amounting to £133k (2018: £2k) and management charges amounting to £141k.

At 31 March 2019 the balance owing to Place2Be from The Art Room (Oxford) amounted to £108k (2018: £4k).

24. Principal subsidiaries

The Art Room (Oxford)

Subsidiary name	The Art Room (Oxford)
Company registration number	04268723
Charity registration number	1088739
Basis of control	Place2Be is the sole member of The Art Room (Oxford)
	£'000
Total assets as at 31 March 2019	110
Total liabilities as at 31 March 2019	109
Total funds as at 31 March 2019	1
Gross income for the year ended 31 March 2019	495
Expenditure for the year ended 31 March 2019	(998)
Deficit for the year ended 31 March 2019	(503)

As at 31 March 2019 The Art Room transferred operations and estimated net assets to Place2Be and the winding up of the charity commenced as agreed by The Art Room Board on 11 March 2019.

25. Donations from Trustees

Donations from Trustees during the year ended 31 March 2019 amounted to £70,360 from 5 Trustees (£65,254 from 3 Trustees).

Supporters of Place2Be

Place2Be could not achieve its mission without the dedicated work, help, support and cooperation of our friends. Place2Be's staff and CoPs, 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.

Other organisations and individuals

We are grateful to the following organisations and individuals who, amongst other generous benefactors, have given us financial and other support during the past year:

AOK Trust	Kristina Martin Charitable Trust	The Gaudio Family
Aspect Capital	Legal and General	Foundation
Aspen	Macdonald Hotels and Resorts	The Haber Charitable Trust
AXIS	Macfarlanes	The Hugh Fraser Foundation
Baillie Gifford	Mahoro Charitable Trust	The John Horseman Trust
Bank of America Merrill Lynch Barry's	MariaMarina Foundation	The Joyce and Norman Freed
Bootcamp	Marshall Wace	Charitable Trust
Battersea Power Station Foundation	McLaren Group	The Lord Mayor's Appeal
Bernard Lewis Family Charitable	Metro Bank	The Plum Trust
Trust Charles Russell Speechleys	Mishcon de Raya	The Queen's Trust
CHK Foundation	Miss Agnes H Hunter's Trust	The Rayne Foundation
Citibank	Mohn Westlake Foundation	The Rigby Foundation
City Bridge Trust	Newton Abbot College	The Rigby Group
Clifford Chance	Newton Prep School	The Robertson Trust
Clore Duffield Foundation	NEX	The Royal Foundation
Clyde & Co	Nick Thomas	The Sam West Foundation
Coley & Tilley	PAH Scotland	The Three Oaks Trust
David Cock Foundation	Paperchase	The Tomoro Foundation The
Edward Hocknell	Pears Foundation	Tompkins Foundation The
Esmée Fairbairn Foundation	People's Postcode Lottery	White Company
Euromonitor International	Porticus UK Foundation	The Wolfson Foundation
Fidelity UK Foundation	Robert Waley-Cohen	Tim and Victoria Robinson
FTI Consulting	Rowena Winkler	UBS
Generation Foundation	Simon Mackenzie Smith	Voreda Investments Ltd
Genesis Wellbeing Foundation	Sir Martyn Arbib	Walter Scott & Partners
Consulting	Prudential	Foundation
Granite and Marble International	Siân Hill	William Grant Foundation
Incisive Media Foundation	Sketch	White & Case
J Leon Group	Standard Life Aberdeen	William Russell
James Cochrane	Sobell Foundation	Winch Design
Jo Bradshaw	St James's Place Charitable	Wycombe Abbey School
John Laing Charitable Trust	Foundation Taylor Howes	Zochonis Charitable Trust
John Lyon's Charity	The Brook Trust	Sir William Boreman's
KLC School of Design	The Christina Mary Hendrie Trust	Foundation NB Avenue Ltd
Knightsbridge School	The Crerar Hotels Trust	

We would also like to thank all of the Friends of Place2Be, those who give personally, or those have attended our various fundraising events or taken on a challenge for Place2Be, as well as their wonderful sponsors.

Place2Be is extremely grateful for the generous support of all of our donors. We wish to offer special acknowledgement to those who give us unrestricted funding which provides us with the security and flexibility for growth and development. These include The Mohn Westlake Foundation, People's Postcode Lottery, Bernard Lewis Family Charitable Trust, Pears Foundation, The Queen's Trust, Lake House Charitable Trust, Mahoro Charitable Trust, Clyde & Co, Euromonitor International, The Incisive Media Foundation, J Leon Group, NEX, Paperchase and The White Company