



Report and Accounts

31 March 2007



The Place2Be

Charity No: 1040756
Company registration No: 2876150

The Place2Be



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General Information

Patrons	Dame Margaret Booth	Lord Ouseley
Trustees	Michael Fowle CBE (Chair) Benita Refson OBE (Chief Executive) Frank Gould (Deputy Chair) David Childs Catherine Douglas Caroline Fiennes Denny Grant Pat Holland	Marc Meyohas The Hon. Robert Rayne Tim Smart Rob Smith CB Robert Waley-Cohen
Secretary	Howard Long FCA	
Business address & Registered office		
Until October 2007	Wapping Telephone Exchange Royal Mint Street London E1 8LQ	
From November 2007	13/14 Angel Gate 326 City Road London EC1V 2PT	
Auditors	MGR Audit Limited Chartered Accountants and Registered Auditors 55 Loudoun Road St John's Wood London NW8 0DL	
Bankers	Lloyds TSB plc 399 Oxford Street London W1R 2BU	
Registration numbers	Company Charity Commission OSCR	2876150 1040756 SC038649
Management Team	Chief Executive Chief Operating Officer Head of Finance Clinical Adviser	Benita Refson OBE Catherine Roche Howard Long Peter Wilson

If you would like to help us help children, or if you would like to know more about The Place2Be or to talk about your school, call or write to our Chief Executive, Benita Refson, at the address above or email: ceo@theplace2be.org.uk

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What is The Place2Be?

The Place2Be and the wider policy context

The Place2Be is primarily a service to children in schools. Therefore we must feed into mainstream service delivery and be embedded within the Government's policy framework for children and young people as set out in "*Every Child Matters: Change for Children*".

The Children Act 2004 is the foundation on which the Government wishes to build their reforms of children's services. *Every Child Matters* sets out the national framework for local change programmes to "build services around the needs of children and young people so that opportunities can be maximised and risk minimised". The Government aims to realise this goal by implementing changes focused on outcomes and taken forward by local change programmes in 150 Local Authority areas set within a national framework. This will be driven by an analysis of local priorities and secured through more integrated front-line delivery, processes, strategy and governance.

The Place2Be has an outstanding reputation for the delivery of high quality front-line services. Our direct-service model, available to children within the school setting, puts us in an excellent position to address the needs of children in a timely way, with the support of the key people in their lives.

Improving outcomes for children and young people forms the basis of the *Every Child Matters* programme and the five outcomes for children and young people which are given legal force in the Children Act 2004. These five outcomes are:

- Be healthy
- Stay safe
- Enjoy and achieve
- Make a positive contribution
- Achieve economic well-being

The Place2Be's mission is to enable therapeutic and emotional support to be provided in schools, based on a practical model backed up by research. The Place2Be is uniquely placed to help address these five outcomes through our work with children.

About The Place2Be

The Place2Be is an innovative, growing charity founded in 1994 with a ten year vision to increase our reach substantially in order to support the many children in need or at risk.

The Place2Be offers a systematic support service within schools which engages with the wider issues of mental health in the school community.

The Place2Be's work in schools is overseen by a school project manager (SPM), a qualified counsellor who is employed for 2½ – 5 days a week (depending on school size) to supervise and manage the interventions accessed by children.

Individual short term and long term counselling is carried out by Place2Be Counsellors, who volunteer for a minimum of one year. The counsellors come from a variety of backgrounds – some are in training on counselling courses, some are graduate counsellors and others are trained specifically through The Place2Be's own training programme, The Place2Train.

Individual and group work with children is a central part of The Place2Be's work. However, these interventions are crucially complemented by other direct interventions with children (The Place2Talk, Circle Time), by work with parents and school staff and by liaison with the wider multi-agency system.



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What is The Place2Be? (continued)

The Place2Talk is the self-referral service available during lunch times where children book in for ten–fifteen minutes individually or in small groups. It is very popular and allows children to explore a wide range of concerns such as peer relationships, bullying, anxieties about home or school work, fear of change and coping with separation or loss. Some children return to follow up issues and sometimes this highlights a need for further one-to-one input. Research by the NSPCC reveals that a third of children are worried about something and that almost half of them find it stressful that they have nobody to talk to. The Young Runaways Report by the Social Exclusion Unit gives 'having no one to talk to' as the first factor in triggering running away. The Place2Talk method has been used in schools since 1997 and is highly valued by them.

Work with parents is crucial both in facilitating and maintaining progress with the child and provides an opportunity for parents to voice any concerns about their child. Meeting with the SPM is usually very reassuring and a meeting can be used to support the parent-child relationship and sometimes to assist the parent to seek help elsewhere. Liaison with other service providers is critical, particularly where there are child protection concerns. The Place2Be operates within the child safeguarding policy of the school and supports it in connecting to other services. Communication with school staff is an integral part of the success of The Place2Be's work in schools. Busy school days can make this difficult to achieve, but time spent with staff at all levels is very well spent and provides openings to reinforce the direct work with children and to embed The Place2Be in the life and thinking of the school.

Each Place2Be school project manager has an identified point of contact in the school with whom he/she meets regularly (usually the Special Educational Needs Coordinator (SENCO) or Head/Deputy Head). The SPM also reports each term to the Head teacher and governors and The Place2Be Hub Manager reports each term to a Hub Steering Group. The Place2Be also produces a comprehensive annual Hub Impact Report and individual School Summary Reports, which provide an evaluation of The Place2Be's interventions within the Hub and individual schools.

The case for The Place2Be's on-site intervention

At present The Place2Be works directly with a school population of approximately 35,000 children in 111 schools in England and Scotland. We also deliver a range of accredited training programmes for adults who work with children, based on our practical experience. By 2010 we aim to be delivering early intervention services to over 60,000 children across the UK.

Children's mental health

The need for emotional and therapeutic support for children is great. Recent statistics from the DfCSF, the Social Exclusion Unit, as well as The National Service Framework highlight this need:

- Ten per cent of 5-16 year olds have a diagnosable mental health disorder, with some vulnerable groups particularly affected. Boys are more likely to have a mental disorder than girls. Among 5–10 year olds, 10% of boys and 5% of girls have a mental disorder. This suggests that around 1.1 million children and young people under the age of 18 would benefit from specialist services.
- The same study showed that in 2004, among children aged 5–16, 4% of children had an emotional disorder (anxiety or depression), 6% had a conduct disorder, 2% had a hyperkinetic disorder and 1% had a less common disorder (including autism, tics, eating disorders and selective mutism). Some children (two per cent) had more than one type of disorder.
- There is strong evidence that poor health inhibits learning and that there is a strong relationship between health and educational outcomes, including exam grades, classroom performance, and students' behaviour and attitudes.
- 'Looked after' children in Local Authority care who have a mental health problem are nearly twice as likely as other children in care to have marked difficulties with reading, maths and spelling.



What is The Place2Be? (continued)

- Each year, 77,000 children and young people in the UK under the age of 16 run away overnight – approximately a quarter are under the age of 11. Children and young people are more likely to run away when they have no-one to talk to, don't know what else to do, or don't know where to go for help.

Parents' mental health

Studies have shown that there is a strong association between children's mental health and that of their parents. A survey into the mental health of children and adolescents in Great Britain, found that children with parents who screened positive on the 12-item General Health Questionnaire were three times more likely to have a mental disorder than those whose parents had sub-threshold scores – 18% compared with 6%.

Support for parents of children accessing The Place2Be's therapeutic interventions is integral to our work, both in keeping the parent fully informed and also by offering emotional support in order to support the 'whole' child.



Chairman's Statement

The Place2Be continues our strategic expansion and ended the year working in 111 schools in 12 local authorities.

Our mission is to provide therapeutic and emotional support, rooted in a practical model supported by research and robust evaluation methodologies, directly to children within the schools. Our reputation for delivering high-quality, front-line services, with the support of the key people in children's lives, puts us in a great position to address the needs of even more children in the years ahead.

As Trustees, we needed to develop a Strategy and Business plan for 2007-2010 that was clear, achievable and affordable, especially in light of the funding uncertainties around the commissioning process and the future of The Children's Fund. After a great deal of work and analysis, our plan is to serve a school population of 60,000 children in 190 schools by 2010.

Every Child Matters

The Children Act 2004 forms the basis of the Government's reforms of children's services. To feed into such mainstream service delivery, it is vital for The Place2Be to embed our work within the Government's national framework, the most fundamental of which is *Every Child Matters: Change for Children*. This aims to "build services around the needs of children and young people so that opportunities can be maximised and risk minimised".

Other developments

The Board is delighted to report that:

- despite the delay in the Commissioning Process, our first application for funding from Southwark CAMHS was successful and we are informed that we met all their criteria. This is encouraging for our applications to other Local Authorities in their commissioning processes;
- our training division has made significant progress and we continue to grow our capacity to deliver training to the child care workforce to help children in schools where we do not offer direct service;
- over 50% of our school based staff were once volunteers, and seven out of our 10 hub managers have been school project managers; our most recently appointed regional manager was previously a hub manager. We are growing our own skilled workforce.

Board changes

We are pleased to welcome Caroline Fiennes, Denny Grant, Tim Smart and Robert Waley-Cohen to our Board of Trustees. Merrick Denton-Thompson and Stephen O'Brien have retired from the Board after years of valuable service and we are most grateful to them

Our thanks go to all our staff, the schools with whom we work in partnership, our supporters who provide both their time and money, and especially to our volunteers, without whom we could not deliver our service.

Finally we must record our delight that Benita Refson, The Place2Be's founder and creator, long serving trustee, tireless full time volunteer Chief Executive and leader, was awarded the OBE in the Birthday Honours. Nothing could be better deserved.

Michael Fowle
Chairman



Chief Executive's Report

We are delighted to report that we have made significant progress towards achieving our goals. The key areas have been in sustaining and growing our work to reach over 35,000 children and families – a real achievement in the current climate of funding instability and uncertainty. We have:

- brought our hubs in Blyth, Harlow and Wandsworth into full operation.
- continued work on developing hubs in Manchester, Burnley, Cardiff and other areas.
- recruited and trained nearly 400 volunteers for our whole school-based model of support for children, teachers, parents and carers, contributing to the development of the children's workforce and skilled Child and Adolescent Health professionals.
- developed and embedded our work with parents, in line with the latest policy from DfCSF and the Social Exclusion Unit, and rolled-out programmes to enhance listening and communication skills for adults and to provide support for children at risk.
- increased our capacity to deliver internal and external training programmes nationally. Between April 2006 and March 2007, we ran 38 "external" courses with 514 participants, ranging from mid-day supervisors to learning mentors, from retired head teachers to medical doctors! These courses ranged from one-day programmes to the intensive 15 week Foundation course, The Place2Train. We trained from Kingston on Thames to Glasgow, Somerset to Solihull, Kent to Blyth.
- continued building a solid research and evaluation base demonstrating qualitatively and quantitatively the impact of our early intervention and preventative work. We also developed our strategy and business plan, setting out the vision for the next ten years which will guide our operations and activities.
- continued moving hubs towards full cost recovery, with a large percentage of schools contributing 50% of the costs despite heavy demands on their budgets. However, with Local Authorities changing and re-shaping in the transition to Children's Services, these are uncertain times and it is more important than ever to build long-lasting relationships with alternative funding bodies, corporate partners and individuals.

We continue to owe particular thanks to our corporate sponsors, BT, Clifford Chance and KPMG, along with all the grant-making trusts and our individual supporters. Our work would not have been possible without them. We began this financial year with a great deal of uncertainty in a number of hubs including Edinburgh, Co. Durham, Nottingham, Greenwich and Croydon; however, we were able to address this by attracting new corporate partners who, in supporting our work, demonstrate the true meaning of partnership between the public, private and voluntary sector.

Benita Refson
Chief Executive

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Activity Statistics 2006/2007

Table 1: Schools and total school population for each of The Place2Be's twelve hubs, in March 2007

Hub	No. of schools	Hub population
Blyth	8	1,885
Brent	11	4,939
Croydon	8	2,666
Co. Durham	10	2,923
Edinburgh	10	2,590
Enfield	9	4,327
Greenwich	9	2,916
Harlow	7	1,214
Medway	12	3,498
Nottingham	10	3,012
Southwark	9	2,582
Wandsworth	6	1,960
Total	109	34,512

In addition we were working with 2 secondary schools in Nottingham on a pilot Transition work project.

Table 2: Children Participating in The Place2Be's interventions

The Place2Be interventions	Summer 2006	Autumn 2006	Spring 2007
Individual (a)	599	724	766
Group work	376	82	151
The Place2Talk total visitors	7,057	8,193	7,936
The Place2Talk different children	3,850	4,770	4,781

(a) Children in individual long-term interventions may be counted more than once in this table

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Activity Statistics 2006/2007 (continued)

Table 3 : Sessions provided by The Place2Be

The Place2Be Interventions	Summer 2006	Autumn 2006	Spring 2007
Individual	4,840	4,687	5,851
Group work	200	115	157
Circle Time/assemblies	149	243	301
The Place2Talk (individual + group)	3,790	4,864	4,804

Table 4 : Hours invested with adults in support of our work with children

The Place2Be Interventions	Summer 2006	Autumn 2006	Spring 2007
Work with parents	1,044	1,086	935
Work with teachers	902	936	918
Work with non-teaching school staff	702	959	940
Work with Special Educational Needs Coordinators	420	486	473
Work with Head Teachers	409	393	397
Multi-agency work	508	424	478

Adult sessions vary in length between 15 minutes and 1.5 hours, they are focused consultations regarding children, class or school issues

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Trustees' Report for the year ended 31 March 2007

Reference and administrative details

This is the formal report of the company's directors, who are referred to as the trustees. The charity was founded and was incorporated as a company limited by guarantee in 1994 and its registered number under the Company's Act 1985 is 2876150. It is a registered charity, in England & Wales number 1040756 and in Scotland number SC038649. Its registered office is shown on page 3.

The directors and trustees are:

Michael Fowle (Chair)	Pat Holland
Benita Refson (Chief Executive)	Marc Meyohas
David Childs	Stephen O'Brien
Merrick Denton-Thompson	The Hon Robert Rayne
Catherine Douglas	Tim Smart
Caroline Fiennes	Rob Smith
Frank Gould (Deputy Chair)	Robert Waley-Cohen
Denny Grant	

Caroline Fiennes and Denny Grant were appointed on 12 December 2006 and Tim Smart and Robert Waley-Cohen were appointed on 11 September 2007. Merrick Denton-Thompson and Stephen O'Brien resigned on 11 September 2007.

Structure, Governance and Management

The Charity is governed by its Memorandum and Articles of Association adopted on 18 April 1994 and most recently amended this year to meet the requirements for a charity operating in Scotland.

The trustees may nominate and appoint a person to act as a trustee, either to fill a vacancy or as an additional trustee; a trustee so appointed would be subject to reappointment by the members at the next annual general meeting, except that the members have passed a resolution exempting the requirement to hold an annual general meeting. There are no formal limits to the period of time that a trustee may serve. Since the company is limited by guarantee having no share capital, none of the trustees has an interest in the company. Each of the trustees is a member of the company and there are no other members.

Potential new trustees are selected for their knowledge, skills and enthusiasm for the work of The Place2Be. They meet with the Chairman and other trustees prior to formal appointment by the Board. A formal letter of appointment sets out the obligations of the trustee and the expectations of the Board. If a new trustee is unfamiliar with the work of The Place2Be, an induction programme is provided and the new trustee is encouraged to meet members of the senior management and to attend hub meetings and events.

The Board of Trustees is responsible for the governance of the charity and for ensuring that The Place2Be pursues the objects for which it was founded. The Chief Executive, Benita Refson, reports to the board of trustees (of which she is a member) and with her senior management team directs The Place2Be's activities. The senior management team have available to them the support of a highly experienced professional advisory panel.

The Board of Trustees have delegated the exercise of certain powers in connection with the management and administration of the Charity, through sub-committees, to the Chief Executive. This process of delegation is controlled by requiring regular reporting back to the Board, so that all decisions made under delegated powers can be ratified by the full Board in



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due course. The sub-committees are the Finance Committee, Quality Committee, and Development Committee. Each has terms of reference and is chaired by a trustee and has a membership drawn from the trustees and the senior management. There is also a Risk group chaired by a trustee.

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 1985. 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.

Risk Management

The Trustees are responsible for the management of the risks faced by The Place2Be. The Chief Executive, assisted by a Risk Group consisting of Trustees and executives, has during the year continued the cycle of risk reviews across all of the activities and departments of The Place2Be and has made a report at a Trustees' meeting. This work will be ongoing.

The Place2Be's controls are designed to provide reasonable but not absolute assurance against material misstatement, loss or exposure to risk. However, the Trustees are satisfied that the systems will mitigate exposure to major risks and believe that risk management is a tool that enables The Place2Be to develop opportunities to promote its charitable purpose.

Objects, Objectives and Principal Activities of the charity

Mission and activities

The Place2Be's mission is to enable therapeutic and emotional support to be provided to children in schools based on a practical model backed up by research.

The Charity's objects are the advancement of education and the preservation and protection of health amongst young persons and adults, by:

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

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The section of this Annual Report document entitled “What is The Place2Be”, on pages 3 to 4, sets out our activities in detail and The Chief Executive’s report, on page 6, includes a review of The Place2Be’s activities in the period.

Achievements and Performance

The objectives set for the year 2006/07, and their achievement, was as follows:

- **Sustaining service in existing hubs**
We focused considerable energy on raising funds to successfully sustain services in 9 hubs across the UK. This challenge came about due to uncertainty regarding each local funding ‘patchwork’ and funding streams in restructuring government departments and the transition to integrated Children’s Services. We revisited our local funding model in the challenge to achieve full cost recovery. We fed into a wide range of mapping exercises to highlight our position and value as a local service provider, continuing to focus on improvement of the quality of our services.
- **Expand service into Harlow, Essex and at least two other hubs**
We successfully completed the set-up of the service in six schools in Harlow, establishing a new hub with supporting infrastructure in Essex. We completed set-up in six schools in Wandsworth and seven schools in Blyth, Northumberland, hosting hub celebration events to mark each hub’s first full year of service delivery. We have continued development work in a number of new areas which we aim to bring on stream in 2007/08 and 08/09.
- **Revisit the marketing of training as a means of extending our reach in existing hub local authority areas**
We examined the challenges relating to school take-up of training and devised two new service delivery mechanisms to address delivery of ‘packages’ of training to clusters of schools over a longer time period, as well as running ‘Open Access’ training for individuals on a paid-for basis. We commenced piloting both of these options. We linked training delivery closely with start-up of new hubs, and delivered a range of training as part of set-up in Wandsworth and Harlow, with very positive results.
- **Continue to develop our work with parents**
We extended A Place for Parents to Edinburgh, bringing the team of dedicated parent workers to 6 across the UK. We developed and piloted a training programme for staff focusing on working with parents, and developed a roll-out plan to continue to expand this service.
- **Initiate a major donor campaign and raise the profile of The Place2Be**
We made progress towards set-up of a fundraising campaign and increased investment in this critical area. We focused efforts to raise our profile on central Government departments as well as key corporate sponsors and their influencers. We were short listed in the Charity of the Year awards and our Chief Executive was short listed for the Beacon Prize for Leadership for the second year running.

The objectives set for 2007/08 are as follows

- To complete the business plan for 2007 – 2010 and set a ten year vision together with supporting infrastructure requirements
- To establish a new ‘Place2Be Region’ in the North West, set up a new hub in Manchester and continue development of 2 further hubs
- To further develop work with parents integrated within the established The Place2Be model

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- To further expand The Place2Be Training offer based on our practical experience
- Deliver The Place2Be service model in a secondary school, focusing on the transition from primary to secondary school
- Move to new premises for The Place2Be training centre and core operations of the charity

Financial review and results for the year

The Statement of Financial Activities set out on page 16, shows that gross income increased by just over 16% to £4.4m and expenditure on charitable activities increased by 13% to £4.0m. There was a net inflow for the year of £406,000, including an addition to the Development Fund of £180,000. The free reserves of The Place2Be stood at £789,000 at 31 March 2007, an increase of £240,000 in the year.

Free reserves available for use by the Charity are deemed to be those that are readily realisable, less those funds whose uses are restricted or else designated for particular purposes. This therefore excludes the *Restricted funds* which are earmarked for a particular purpose by those who provide them, including schools, local authorities and grant making bodies and the *Designated funds* which have been set aside by the Trustees as a fund for future development. The designated Development fund will be used in 2007/8 to finance part of the purchase of new office premises at Angel Gate.

The remaining funds are the *Base fund*, which the Trustees consider essential for The Place2Be to build up as a fund which will ensure that the charity has security to maintain its administrative resources and the *General reserve*, which represents the balance of The Place2Be's funds. The Trustees have decided to build up the base reserve as quickly as practicable until it approximately equals six months' expenses. Currently it stands at less than three month's expenses.

The purchase of the Angel Gate offices is funded in the main by a mortgage loan from Futurebuilders England Limited. The Trustees have reviewed the fund balances in detail and have taken steps to ensure that The Place2Be has adequate funds to continue its work.

Statement of disclosure to auditors

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

Auditors

MGR Audit Limited have signified their willingness to continue in office.

The directors and trustees have taken advantage of the special exemptions applicable to small companies conferred by Part VII of the Companies Act 1985 in the preparation of the directors' report.

By order of the Board

Benita Refson
Chief Executive

13 September 2007



Report of the Independent Auditors to the members of The Place2Be (a company limited by guarantee)

We have audited the financial statements of The Place2Be for the year ended 31 March 2007 on pages 16 to 24 which have been prepared under the historical cost convention and the accounting policies set out on page 18 and 19.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities on page 12, the charity's trustees, who are also the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charitable company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- The information given in the Trustees' report is consistent with the financial statements.

MGR Audit Limited

MGR Audit Limited

Chartered Accountants and Registered Auditors

55 Loudoun Road
St John's Wood
London NW8 0DL

21 September 2007

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Statement of Financial Activities for the year ended 31 March 2007

		Unrestricted funds	Restricted funds	2007 Total	2006 Total
	note	£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income:					
Donations and grants		569,989	542,100	1,112,089	1,134,550
Investment income		94,134	-	94,134	57,099
Incoming resources from charitable activities:					
Services provided to schools		101,907	3,061,986	3,163,893	2,573,468
Total incoming resources	12	<u>766,030</u>	<u>3,604,086</u>	<u>4,370,116</u>	<u>3,765,117</u>
RESOURCES EXPENDED					
Cost of generating funds	14	58,903	29,640	88,543	33,966
Net incoming resources available for charitable activities		<u>707,127</u>	<u>3,574,446</u>	<u>4,281,573</u>	<u>3,731,151</u>
Charitable activities					
School services	15	185,675	3,577,687	3,763,362	3,312,297
Governance costs	16	106,579	5,875	112,454	117,618
Total resources expended		<u>292,254</u>	<u>3,583,562</u>	<u>3,875,816</u>	<u>3,429,915</u>
Net incoming/(outgoing) resources before other recognised gains and losses		414,873	(9,116)	405,757	301,236
Unrealised gains on revaluation of investments		4,991	-	4,991	25,603
NET MOVEMENTS IN FUNDS		419,864	(9,116)	410,748	326,839
RECONCILIATION OF FUNDS					
Total funds brought forward		928,870	292,239	1,221,109	894,270
Total funds carried forward		<u>1,348,734</u>	<u>283,123</u>	<u>1,631,857</u>	<u>1,221,109</u>

This statement of financial activities incorporates the income and expenditure account and the statement of total recognised gains and losses and contains all of the information required by the Companies Act 1985 to be included therein and accordingly no separate statements have been prepared.

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Balance Sheet at 31 March 2007

		31 March 2007	31 March 2006
	Notes	£	£
FIXED ASSETS			
Tangible assets	4	-	-
CURRENT ASSETS			
Debtors	5	117,910	114,384
Current asset investments	6	1,827,224	962,430
Cash at bank & in hand		763,364	577,894
		<u>2,708,498</u>	<u>1,654,708</u>
CREDITORS: Amounts falling due within one year	7	<u>1,076,641</u>	<u>433,599</u>
NET CURRENT ASSETS		<u>1,631,857</u>	<u>1,221,109</u>
NET ASSETS		<u>1,631,857</u>	<u>1,221,109</u>
FUNDS			
Restricted funds	9	283,123	292,239
Designated Development fund		560,000	380,000
Designated Base fund		780,000	540,000
Unrestricted Charitable funds		8,734	8,870
TOTAL CHARITY FUNDS		<u>1,631,857</u>	<u>1,221,109</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts were approved by the Board on 13 September 2007

Michael Fowle

Benita Refson



Notes to the financial statements for the year ended 31 March 2007

1. Accounting policies

1.1 Basis of accounting

The accounts are prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act 1985.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Incoming resources

Income represents donations, grants and service income that arises wholly within the UK. Intangible income and gifts in kind are included as income and expenditure in the period when received.

Restricted income includes amounts received from schools and local authorities to fund the direct provision of services in the schools in which The Place2Be operates. Where such income is received in advance it is treated as deferred income and released to income as the service is provided over the school year or other agreed period of service.

1.3 Fund accounting

The charity's funds fall into three groups which are accounted for as follows:

Restricted funds – these are funds which are earmarked for a particular purpose by those who provide them (including schools, local authorities and grant making bodies). Since these funds are normally spent within 12 months of receipt, any interest earned from them forms part of general funds.

Designated funds – these are unrestricted funds that the Trustees have allocated for specific purposes. These comprise:

the Base fund, that the Trustees consider essential to ensure that the charity has security to maintain its administrative resources and to support the expanding work of The Place2Be. The Trustees have decided to build up the base reserve as quickly as practicable until it approximately equals six months' expenses. It currently stands at less than three months of forecast 2007/8 expenditure

the Development fund that is being built from specific donations to provide for the long term sustainability of The Place2Be

General reserve – the balance of The Place2Be's funds.

1.4 Resources expended

All resources expended are accounted for on an accruals basis. Charitable activities include costs of services and support costs and depreciation on related assets. Costs of generating funds similarly include fundraising activities. Indirect costs are apportioned as appropriate. Governance costs are those associated with constitutional and statutory requirements.



Notes to the financial statements for the year ended 31 March 2007

1. Accounting policies continued

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

All new equipment purchases with a capital value of more than £1,250, whether financed by the receipt of grants or paid for out of unrestricted funds, are depreciated over two years. Smaller assets are treated as revenue expenditure in the year of purchase. Gifts in kind comprising equipment donated to The Place2Be are fully depreciated in the period in which the gift is received. There were no such gifts in the year nor any asset disposals in the year.

1.6 Investments

Investments are shown at market value and all changes in value in the year, whether or not realised, are reported in the statement of financial activities.

	2007	2006
	£	£
2. Net outgoing resources for the year		
This is stated after charging:		
Depreciation of tangible assets	-	-
Payments under operating leases – land and buildings, excluding pro-bono estimates	45,395	42,329
Auditors' remuneration	<u>7,533</u>	<u>5,581</u>

3. Trustees remuneration and expenses

None of the members of the Board of Trustees received any remuneration during the year or last year. The Chief Executive gives her services on a voluntary basis and receives no remuneration.

During the year three trustees, including the Chief Executive, (2006 - two) received reimbursement of travel, subsistence and other expenditure amounting to £7,673 (2006 - £3,126)



Notes to the financial statements for the year ended 31 March 2007

4. Tangible fixed assets

	Computers and other assets
	£
Cost at 31 March 2006	111,943
Cost at 31 March 2007	111,943
Depreciation at 31 March 2006	111,943
Depreciation at 31 March 2007	111,943
Net book value at 31 March 2006 and 2007	-

Computers and other assets acquired before 31 August 2002 are all fully depreciated and, having come to the end of their useful lives, have now been written off. No write offs are required this year.

Capital Commitment and Post Balance Sheet Event

At 31 March 2007 an offer of £2,100,000 had been made for the purchase of new office premises at Angel Gate, London, EC1. Exchange of contracts took place in April 2007 and the purchase was completed on 11 May 2007. The projected total cost of the office, after refurbishment and equipment, is £2,600,000. This is being financed by a loan, secured by mortgage, from Futurebuilders England Limited, of up to £2,000,000 and utilisation of the Development Fund.

	2007	2006
	£	£
5. Debtors Due within one year		
Receivable income	106,320	110,894
Prepayments	11,590	3,490
	<u>117,910</u>	<u>114,384</u>

The Place2Be



Notes to the financial statements for the year ended 31 March 2007

6. Current asset investments	2007	2006
	£	£
Unlisted investments-available at short notice		
COIF Charities Deposit Fund	1,629,786	769,983
COIF Charities Fixed Interest Fund	46,272	48,662
COIF Charities Investment Fund	151,166	143,785
	<u>1,827,224</u>	<u>962,430</u>

7. Creditors

Due within one year		
Sundry creditors	113,345	88,173
Accruals	22,050	7,581
Income in advance	941,246	337,845
	<u>1,076,641</u>	<u>433,599</u>

Where restricted income to fund the direct provision of services is invoiced or received in advance, it is treated as deferred income and released to revenue as the service is provided throughout the period of the grant, usually in the following twelve months. At the year end an amount of £941,246 (2006 - £337,845) was included in creditors in respect of such income. This income in advance arose from the following sources:

School service funders	415,892	241,549
Central government	106,207	65,046
Grant funders	419,147	31,250
	<u>941,246</u>	<u>337,845</u>

8. Share capital and company status

The company has no share capital and is a charitable company limited by guarantee. The members would be required to contribute a maximum of £10 each in the event of liquidation.



Notes to the financial statements for the year ended 31 March 2007

9. Funds	31 March 2006 brought forward £	Incoming Resources £	Expended in Year £	Transfers, gains and losses £	31 March 2007 carried forward £
Restricted					
School service funders	290,749	2,700,844	2,740,332	-	251,261
Central Government	-	643,275	631,685	-	11,590
Big Lottery Fund	-	105,400	105,400	-	-
Other grants	1,490	154,568	135,786	-	20,272
	<u>292,239</u>	<u>3,604,087</u>	<u>3,613,203</u>	<u>-</u>	<u>283,123</u>
Unrestricted					
Designated					
Development	380,000	180,000	-	-	560,000
Base fund	540,000	-	-	240,000	780,000
General	8,870	586,029	351,156	(235,009)	8,734
	<u>928,870</u>	<u>766,029</u>	<u>351,156</u>	<u>4,991</u>	<u>1,348,734</u>
Total Funds	<u>1,221,109</u>	<u>4,370,116</u>	<u>3,964,359</u>	<u>4,991</u>	<u>1,631,857</u>

Restricted funds

School service funders include local authorities, the schools themselves and other local statutory funders. All schools are organised into hubs and funding is regarded as provided to the hub as a whole. Funds are kept separate for each hub.

Several Central Government departments have provided funding, in the main for specific salaried posts within training and parenting services.

The Big Lottery Fund has funded, for the third and final year, a number of posts related to school services administration and management.

Other restricted grants come from a number of grant making trusts and in the main fund specific salaried posts or projects.

Designated and Unrestricted funds

A second donation of £180,000 was received during the current year from BT Group plc and has been added to the Development fund. This fund is earmarked for the new office purchase, see note 4.

10 Analysis of assets between funds.

	Unrestricted funds £	Restricted funds £	2007 Total £
Debtors	11,590	106,320	117,910
Current asset investments and cash at bank and in hand	1,472,539	1,118,049	2,590,588
Creditors	<u>(135,395)</u>	<u>(941,246)</u>	<u>(1,076,641)</u>
	<u>1,348,734</u>	<u>283,123</u>	<u>1,631,857</u>



Notes to the financial statements for the year ended 31 March 2007

11. Intangible income and gifts in kind.

Included in income is intangible income of £ 205,670 for the year (2005 - £225,800), representing £ 125,000 (2006 - £125,000) for the estimated fair value of office accommodation, printing, telephone, fax and postage for the administrative and training teams of the charity, which have been provided as gifts-in-kind, along with an insurance discount worth £5,400 (2006 - £5,000), legal and professional services estimated at £ 57,000 (2006 - £95,800) and other services estimated at £17,470 (2006 - £nil). The income and expenditure is included in the accounts under appropriate headings.

No value is attributed in these accounts to the considerable amount of time given by over 340 volunteers. Based upon a scale rate agreed by the Department for Education & Skills this is estimated to be worth more than £2.45 million. (2006 – 300 volunteers - £2.2 million)

	2007	2006
	£	£
12. Total incoming resources, by source		
Government and Local Government	1,954,853	2,031,657
Schools	1,284,557	766,258
Companies, Trusts and Other Charities	526,932	582,101
Corporate Gifts in Kind	205,670	225,800
Private donations and event sponsorship	303,970	102,202
Investment income	94,134	57,099
	<u>4,370,116</u>	<u>3,765,117</u>

13. Staff costs

Salaries, excluding agency staff	2,748,337	2,452,523
Social security costs	265,517	237,790
Pension costs—defined contribution	41,119	28,094
	<u>3,054,973</u>	<u>2,718,407</u>
 The average number of full-time equivalent employees was:	 <u>95</u>	 <u>87</u>

One employee received remuneration in the range £80,001 to £90,000. (2006 – 1)

The Place2Be



Notes to the financial statements for the year ended 31 March 2007

	2007	2006
	£	£
14. Cost of generating funds		
Staff costs	43,168	28,531
Consultants	44,921	-
Other costs	454	5,435
	<u>88,543</u>	<u>33,966</u>

Costs have been charged to restricted funds only in respect of a grant received towards staff costs and do not reflect the actual cost of raising restricted funds, which have been borne by the unrestricted funds.

15. Cost of activities furthering charitable objectives

Staff costs, including agency	3,050,116	2,700,783
Consultants, external trainers and advisers	114,059	125,393
Recruitment	64,149	47,510
Rent and services *	171,195	167,329
Insurance *	21,893	16,950
Travel *	98,307	84,817
Printing, post, stationery and telephone *	86,246	69,775
Other costs *	142,197	91,093
School and computer equipment	15,200	8,647
Depreciation of computers and equipment	-	-
	<u>3,763,362</u>	<u>3,312,297</u>

* includes gift-in-kind cost estimates, see note 11

16. Management and governance costs

Trustee costs	806	566
Audit	7,533	6,058
Finance management	41,240	16,994
Planning consultancy	5,875	-
Legal & professional fees *	57,000	94,000
	<u>112,454</u>	<u>117,618</u>

* includes gift-in-kind cost estimates, see note 11



The Place2Be

Supporters of The Place2Be

The Place2Be could not achieve its mission without the dedicated work, help, support and cooperation of our friends:

The Place2Be's staff and volunteers; all the children, head teachers and teaching and other staff and governors in the schools in which we work; officers, staff, councillors and committee members of local government organisations and central government departments.

We are very grateful to you all.

Schools

Abbotsweld	De Bohun	Lordswood Infants
Albion	Delaval Community Middle	Lordswood Junior
Alma	Eardley	Lyon Park Infants
Ambleside	Easington Colliery	Lyon Park Junior
Applegarth Infants	Eden Community	Malvin Close First
Applegarth Juniors	Eldon	Melbury
Balgreen	English Martyrs	Mora
Bannockburn	Fairchildes	Morden Mount
Bebside Middle	Firbeck	Michael Sobell Sinai
Boxgrove	Forthview	Milward
Brocklewood Infants	Gallions Mount	Murrayburn
Brocklewood Junior	Garfield	Murton
Bush Hill Park	Glencoe	Newfield
Burdiehouse	Good Shepherd	New Deval First
Canal View	Gordon	Niddrie Mill
Castle Hill	Hempstead Infants	Oakington Manor
Chalkhill	Hempstead Juniors	Paringdon
Charlotte Turner	Highview	Portland
Charlton Manor	Highwood Player Infants	Potters Street
Chesterfield	Highwood Player Junior	Princess Road
Chesterfield Juniors	Honilands	Purford Green
Cobourg	Hoo St Werburgh	Rockmount
Conway	Horton Grange First	Ropery Walk
Cotsford Infants	John Ruskin	Rosslyn Park
Cotsford Junior	Keyworth	Rowdown
Craigroyston	Kingsley	Salisbury
Croftway First	Longstone	Seagrave

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Supporters of The Place2Be

Seaview	St Francis RC	Surrey Square
Sellincourt	St Joseph's RC (2 hubs)	Thames View
Shaftesbury Park	St Jude's	Trinity St Mary's CofE
Sherwin Knight	St Mary's C of E	Tynedale Middle
Shotton	St Mary's RC (2 hubs)	Victory
South Beach First	St Patrick's	Water Lane
Spinners Acre	St Thomas a Becket	Westbridge
Spinney	St Thomas More	Wilbury
St Catherine's RC	Suffolks	Yohden

Central and Local government

Brent Children's Fund	Enfield Children's Fund	Metropolitan Police Association
London Borough of Brent	London Borough of Enfield	Nottingham Neighbourhood Renewal Fund
Brent Primary Care Trust	Greenwich Children's Fund	S.E. Northumberland Excellence Cluster
Croydon Children's Fund	Harlow Education Consortium	Peckham Voluntary Sector Forum
Croydon Neighbourhood Renewal Fund	The Department of Health and Social Security	The Scottish Executive
Croydon Primary Care Trust	The Home Office	London Borough of Southwark
Durham NHS Trust	Lothian Health	Southwark CAMHS
The Department for Education & Skills	Medway Children's Fund	Southwark Children's Fund
City of Edinburgh	Medway CAMHS	HM Treasury
Essex Children's Fund	Medway District Council	London Borough of Wandsworth
	Medway Primary Care Trust	



The Place2Be

Supporters of The Place2Be

We are grateful to the following organisations and individuals who, amongst other generous benefactors, have given us financial and other support during 2006/7.

AXA Insurance	The Equitable Charitable Trust	New Philanthropy Capital
The Baring Foundation	The Esmée Fairbairn Foundation	Private Equity Foundation
Big Lottery Fund	The Goldsmiths Company Charity	The Rayne Foundation
BT	The Paul Hamlyn Foundation	Russell Investments Group
Capital Radio's Help a London Child	The Charles Hayward Foundation	Shears Foundation
CIBC World Markets	The King's Fund	Henry Smith Charity
The City Bridge Trust	The Jones 1986 Charitable Trust	Souter Charitable Trust
Cityspace Limited	KPMG	UBS
Clifford Chance	Laings Charitable Trust	Weatherfords
Deutsche Bank	Lloyds TSB for Scotland	Garfield Weston Foundation
The John Ellerman Foundation	The Mercers Company	The Harold Hyam Wingate Foundation

And finally, not forgetting all of the Friends of The Place2Be, the sponsors of the Clifford Chance North Pole team, the sponsors of our runners in 2006/7 and, of course, the North Pole team and the runners themselves.

The financial contributions of all of these schools, central and local authorities, grant making bodies, donors and sponsors are gratefully acknowledged.