

**The London
School of
Architecture**

**Report and
Financial
Statements**

**For the year
ended 30
June 2020**



Trustees' Report And Financial Statements For The Year Ended 2020

Overview

Crispin Kelly (Chair of Board of Trustees)

The past year has seen the further strengthening and consolidation of the Part 2 programme as a vigorous alternative model for architecture students, rooting their work in the world of practice as well as the world of London. Congratulations to all our students, staff, faculty, trustees and partners for this achievement.

As Covid hit, the School adapted with remarkable speed and significant goodwill, and even warmer congratulations are therefore due for the tolerance and willingness to do things a different way which has been so widely shown, which have kept the LSA vibrant and so highly relevant.

Nature and objectives

The trustees present their report with the audited financial statements of the charity for the year ended 30 June 2020. All comparative data is for the 18-month period to 30 June 2019.

Legal status

The London School of Architecture was established as a Charitable Incorporated Organisation (CIO) incorporated on 10 December 2014, and registered with the Charity Commission in England and Wales on 13 January 2015.

Registered Charity number

1159927

Charitable objectives

To advance the education of the public in general (and particularly among the architectural profession) on the subject of architecture and to promote design and research for the public benefit in all aspects of architecture and to publish the useful results and proposals.

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities and setting a grant-making policy for the year and that they have complied with the duties in section 17(5) of the 2011 Charities Act.

The trustees are satisfied that all charitable activities during the year are for the benefit of the public and the benefits of each and every activity are clearly identifiable. Further details are set out in this report.

Vision and mission

Vision

Our vision is that people living in cities experience more fulfilled and more sustainable lives. Our school educates future leaders to design innovations that contribute to this change.

Mission

- *Network* – To bring together outstanding students, practices, professionals, educators and entrepreneurs to generate and champion essential new approaches to the design of the urban built environment.
- *Institution* – To establish the School as independent and financially sustainable, achieving the highest standards of governance and academic delivery with the spirit of agility, openness and responsiveness.
- *Programme* – To provide programme(s) that generate incremental and disruptive innovations in the design of architecture and cities, and which critically equip our graduates for the creative and commercial practices of tomorrow.
- *Talent* – To be the route of choice for gifted students to become future spatial leaders, recruiting talented candidates from across the whole of society by proactively addressing soft and hard barriers to the profession/industry.
- *Impact* – To influence the future of architecture and the city – and particularly London – by producing provocative design/research for global dissemination and by being nimble agents of change within the capital itself.

Change model

To deliver on the vision and mission, a strategic plan was developed by the executive, in consultation with the faculty and other stakeholders, and this has been agreed by the Board of Trustees.

Outcomes

The LSA has two main outputs: graduates from the diploma programme (approximately 50 annually); and published design/research (approximately 50 proposals, and six-eight design/research publications annually).

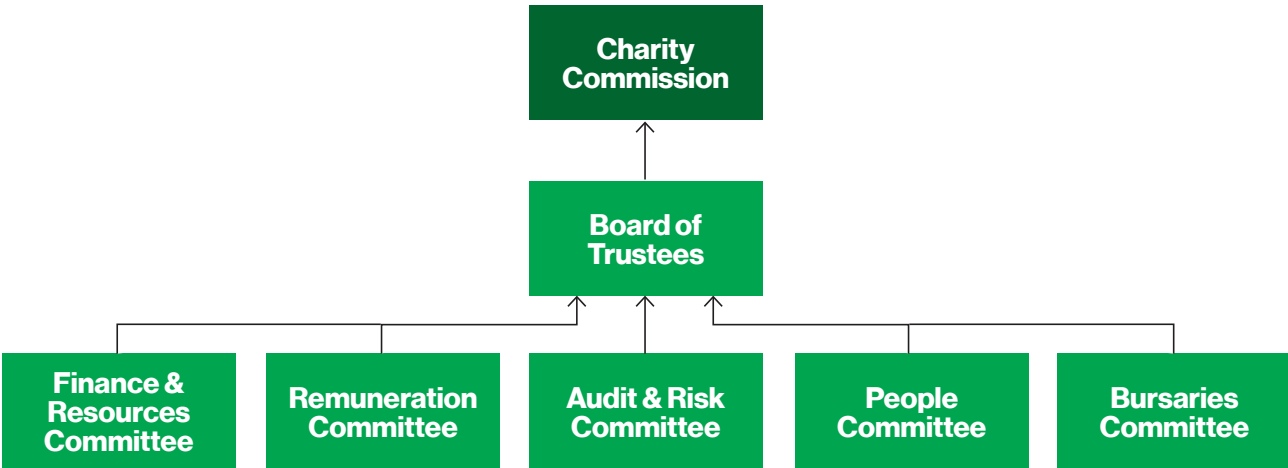
From these emerge outcomes: students are equipped with the knowledge, skills and behaviours to contribute innovations in the design of architecture and cities; while the publication of design/research promotes knowledge that influences others to contribute.

Our graduates and publications may be destined for the profession of architecture or an adjacent profession, and both of these can contribute to our ultimate goal.

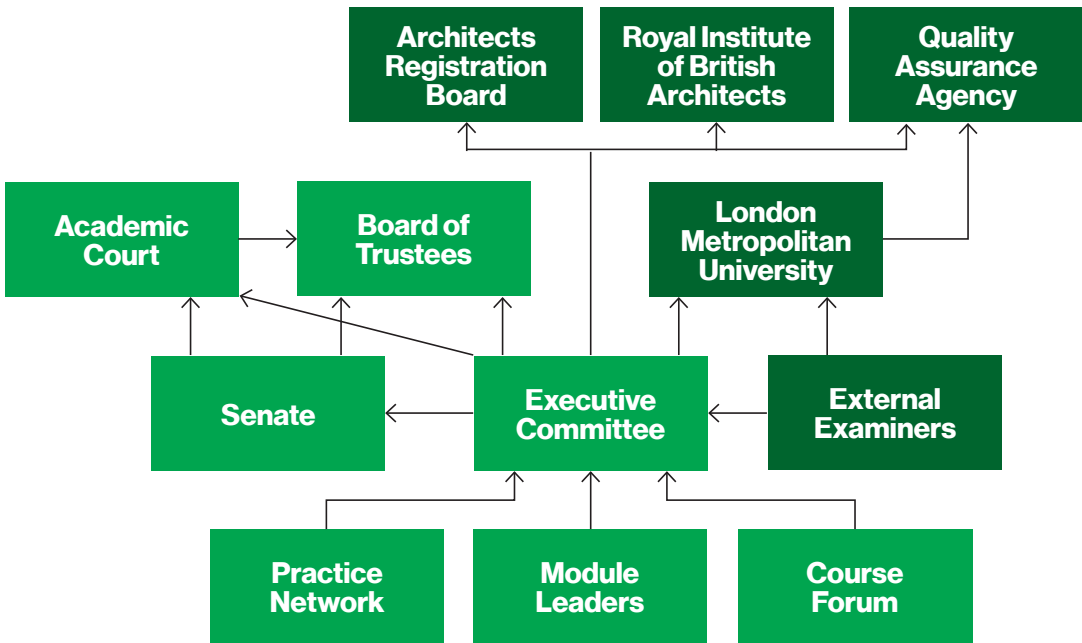
Activities

The LSA's main activity is the Professional Diploma in Designing Architecture (now validated from September 2020 onwards as an MArch in Designing Architecture), a two-year Part 2-Level programme validated by London Metropolitan University (London

Institutional Governance



Academic Governance



Organisation

The Board of Trustees

The trustees are ultimately responsible for the policies, activities and assets of the charity. They meet regularly to review developments with regard to the charity, its activities and to make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers.

There must be between three and twelve trustees in office at all times. The identification of potential new trustees is carried out by the Board through its People Committee. In selecting individuals for appointment the Board must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

On agreeing to serve the charity, new trustees are thoroughly briefed by their co-trustees on the history of the School, the day-to-day management, the responsibilities of the trustees, current objectives and future plans.

The maximum length of service as a trustee is three terms of three years, in order to avoid the problem of multiple retirements as the original trustees reach the six year mark.

Trustees are regularly briefed on developments in the HE and charities sectors and are expected to keep themselves up-to-date and fully conversant with the regulatory environment in which the LSA operates.

Management and governance

The Board delegates the day-to-day operational functions to the Chief Executive, Will Hunter. The Chief Executive is supported by the Operations Director, Design Director, Research Director, Finance Director and People Director. The Chief Executive is assisted and advised by an Executive Committee.

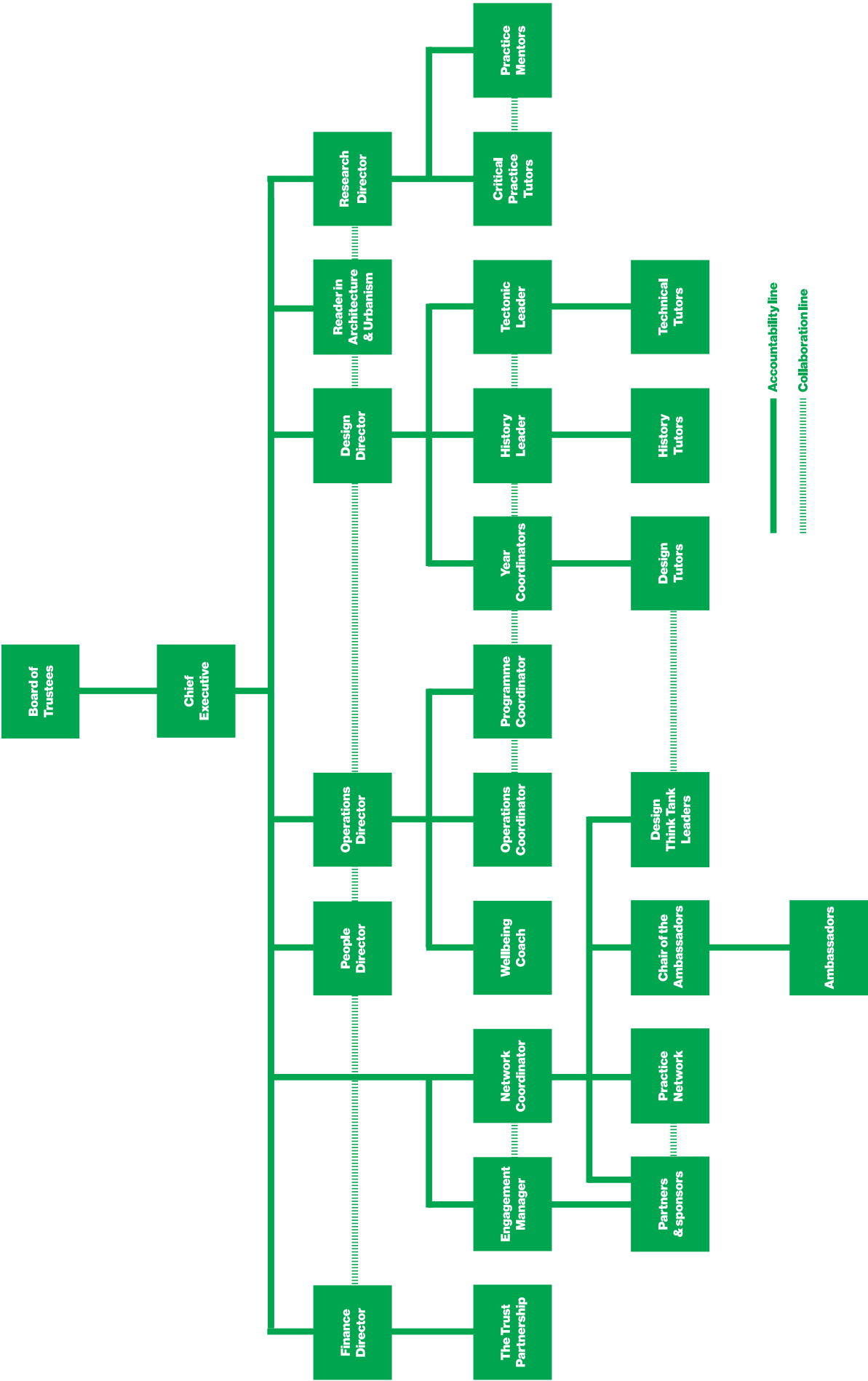
The Board of Trustees assures itself of the quality of its provision with a robust system of governance. The Practice Network, Module Leaders and Course Forum (comprising students) feed back to the Executive Committee. London Met appoints External Examiners, who review the work of the School. The Executive Committee reports to the Board of Trustees. The Academic Court, which is a separate body, provides an independent report to the Board. The Academic Court exists to remove the potential conflict of interest between financial and academic success. The LSA reports externally to the Charity Commission, the Architects Registration Board, the Royal Institute British Architects, and the Office for Students. (See organisational diagram on page 6).

Strategic report

Key achievements

- The School produced its fourth set of graduates in 2020. The School had to switch to an entirely online existence in March 2020 in response to the Covid 19 pandemic and accordingly the end of year show could not be held physically, so was replaced by an online show on the School's website.
- We have now been granted Approved (fee cap) registration by the OfS for the 2020/21 academic year, which means that our students have access to the maximum state package of support for students. The OfS has also approved the School's Access and Participation plan.
- We recruited 53 students for 2020/21, achieving over our target of 50 students for the second time. This success is testament to the continued attractiveness of the LSA's unique programme and the dedication and expertise of the School's staff and tutors.

Organogram



- The School continued to be honoured with the support of our Founding Practices and Founding Partners, with donations made by Allford Hall Monaghan Morris and Foster + Partners in the year to 30 June 2020
- We are delighted to report that Simon Allford has become the RIBA's President Elect and will take up the post in September 2021.

Financial objectives

The LSA's primary financial objectives are to establish a tuition fee income that covers the costs of delivery of the programme on an ongoing basis, and to secure through other revenue streams, such as fundraising, sufficient resources to fund growth and provide long-term institutional robustness.

Key performance indicators

Students

In 2020/21 we enrolled 53 students into the sixth cohort (51 students in 2019/20). Student outcomes are evaluated through academic achievement. Their satisfaction is reported through an annual survey.

Practice Network

Our model requires all students to be in a work placement. Our Practice Network has grown to over 140 practices. We have been successful in placing all enrolled students over the last year into work placements in London. For the academic year of 2020/21, we have currently placed 49 out of 53 students in placement and are optimistic that we will place the remaining 4 students in the autumn term.

Regulatory requirements

- The LSA is validated by London Met. In March 2018, following a review, London Met agreed to renew our validation agreement for the maximum five years.
- In March 2020, we passed the validation to change from a Professional Diploma to an MArch in Designing Architecture. All students enrolled from September 2020 onwards will graduate with an MArch. All students enrolled prior to September 2020, will graduate with a Professional Diploma.
- We retained full professional recognition from the Architects' Registration Board and Royal Institute of British Architects for Part 2 accreditation and validation respectively
- The LSA has been registered with the Office for Students, the regulator of higher education institutions, since the OfS became the regulator of the sector in April 2018.
- Throughout the period of this Report, the LSA was registered in the Approved category which enabled the LSA's students to access loans for tuition fees of £6,000 per student from the Student Loans Company (SLC).
- At the end of March 2020, the LSA successfully applied to change category on the OfS register to the Approved (fee cap) category, which enables the LSA's students to access tuition fee loans from the SLC to the maximum amount of £9,000 per student. The date on which the change of category took effect was 1 August 2020.
- As part of this regulatory process, the OfS approved the LSA's Access and Participation Plan (APP) for the years 2020-21 to 2024-25 and the APP is available to be reviewed on the School's website at www.the-lsa.org.

- We successfully completed the 2018/19 statutory audit and annual submission to the Charity Commission
- The LSA is in receipt of public funds only from the Student Loans Company. All such funds are applied to cover the tuition costs of our students.

Financial position

Financial results

The financial statements are prepared in accordance with Financial Reporting Standard (FRS 102), the applicable provisions of the Charities Statement of Recommended Practices (SORP), and the Statement of Recommended Practices (SORP): Accounting for Further and Higher Education and the regulations of the Office for Students, in order to provide a true and fair view of the financial performance and position of the CIO.

Income for the period was £746,489 (excluding income in kind) (£956,702 for the 18-month period to 30 June 2019) and expenditure was £753,388 (£849,546 for the 18-month period to 30 June 2019). As a result, for the period ended 30 June 2020, there was a deficit of £6,899 (18-month to 30 June 2019, surplus of £107,156). At 30 June 2020, the LSA had unrestricted reserves of £210,546 (2019 - £217,445).

The marginal deficit this year is a result of the harsh fundraising climate owing to the exceptional circumstances of the lockdown, which coincided with our busiest fundraising period in the spring. The School maintained a strong cash position throughout.

The Charity holds its cash funds in current and deposit bank accounts with HSBC. The day-to-day management of receipts and payments is handled by the charity's administrator and bookkeeper, The Trust Partnership, under the direction of the Chief Executive, with close oversight from the Board's Finance & Fundraising and Audit & Risk Committees.

Reserves policy

It is the policy of the Trustees to hold sufficient funds in hand such that together with appropriately forecast and largely contractual income, commitments and expenses for the current financial year are covered and further that an appropriate budget is maintained to ensure that longer term commitments and future plans are covered.

As at June 2020 the School had cash balances of £389,538, which together with anticipated income, was in the opinion of the Trustees, sufficient to meet its accrued liabilities and cost commitments to run the charity effectively for at least 12 months from the date of this report.

It is the policy of the Trustees to seek to keep at least three months' operational reserves at all times. The periodic nature of receipts from the Student Loans Company, which is now the major source of income for the School, does create 'pinch points' for this policy during the academic year but the School has managed to adhere to its policy throughout the 2019/20 financial year and to the date of this report. The cash forecast for the 2020/21 financial year shows that we will continue to meet the Board's 3 months policy through the year.

Going concern

The Trustees of the charity believe that there are no material

uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern. The Covid 19 pandemic has clearly had a material effect on the School's operations since March 2020. However, we were able to start the 20/21 academic year with some face-to-face teaching for the first year students in Mare Street. Additionally we have been able to offer second year students pre-bookable, socially distanced studio space. At the time of writing and acknowledging that the situation continues to change the Trustees are satisfied that the financial position of the School is secure for the foreseeable future as our ability to recruit and retain students has been undiminished by the coronavirus. There have been some extra costs over the summer as the studio was adapted to socially distanced learning and there will be some minor costs for additional cleaning over the coming months but the School has started the new academic year strongly with another cohort of exceptionally talented and motivated students.

Statement of Corporate Governance and Internal Control

The following statement is provided to enable readers of the annual report of The London School of Architecture to obtain an understanding of its corporate governance arrangements and a statement of the responsibilities of the governing body and internal control relating to the arrangements in place for the prevention and detection of corruption, fraud, bribery and other irregularities. This statement covers the period from 1 July 2019 to 30 June 2020 and up to the date of approval of the annual report and financial statements.

The LSA has established a robust system of documented financial internal controls based on the strict division of duties, tiered authorisation limits, close scrutiny of actual results against budget and a regular review of bank account movements and balances.

The Audit and Risk Committee, which includes accounting and legal professionals, is charged with ensuring that there are no irregularities in the School's financial systems or operations. The committee maintains a Risk Register which seeks to identify financial and other risks that the School faces, to estimate the likely impact of one or more of the identified risks occurring and to see that all possible mitigating control procedures are in place. The Committee reports to the Board on all aspects of risk at each of its meetings. The Committee can confirm that no material control weaknesses or failures have been identified in the year to 30 June 2020 and up to the date of this report.

Given the current size of the School an internal audit function is not considered to be necessary, but consideration will be given to establishing one, or using independent experts to review the School's controls, in due course. The LSA is subject to a full external audit each year, which, inter alia, tests the operation of material financial controls.

Future objectives

- To ensure that the School becomes substantially self-sustaining, which will require the continued recruitment of sufficient student numbers and maintaining sufficient reserves.
- To create impact and influence through the production of graduates and design/research, and to demonstrate the validity of our unique model of education.

Resources

People

Agreed by the Board in February 2019, the new strategic plan outlined the expansion of the architecture programme to include new courses within the next two years and to establish greater continuity between the first and second years of the Diploma. To deliver the strategic plan, the School has established a framework that can accommodate this growth, with a robust institutional backbone supporting a number of different programmes.

For the academic year 2019/20, the faculty was restructured. Will Hunter became Chief Executive to more accurately reflect the nature of the role as the School has grown and plans to implement more growth.

James Soane became Research Director to give more prominence to the role research plays throughout the School, and in recognition of the significant additional work that has been undertaken to establish the research credentials of the LSA.

Clive Sall became Design Director to take overall responsibility for the quality of design across the programme, overseeing all development, briefing and delivery of design teaching.

Stephanie Rice became Operations Director, a more senior role that recognises the outstanding contribution she has made to the School. George Shaheen was recruited as Programme Coordinator, Heather Storry as People Director and one of the trustees, John Oliver, is currently acting as interim Finance Director until we recruit a permanent member of staff.

In 2019/20, the module leaders were Lara Kinneir as Cities Leader, Lewis Kinneir as Tectonic Leader and Alan Powers as History Leader. Fulfilling the School's ambition for 50:50 gender balance in its visiting faculty, for 2019/20 we employed 16 design tutors, with more women than men for the first time.

The People Committee assists the Board of Trustees in discharging its responsibilities in relation to human resources. The Remuneration Committee is responsible on behalf of the Board of Trustees for agreeing the remuneration of the Chief Executive and senior roles that report directly to the Chief Executive, and keeping under review the remuneration for all roles that form part of the School's management team.

In setting salary levels, the LSA offers fair pay to attract and keep appropriately qualified staff to lead, manage, support and/or deliver the organisation's aims. It also conducts online research of higher education salaries and uses surveys to benchmark levels of pay. The remuneration of key management personnel is benchmarked to relevant data. The LSA does not automatically award its staff with annual salary increases, either incremental or cost of living.

In the year 2020/21, in order to comply fully with The Higher Education Senior Staff Remuneration Code, two changes will be made – a lay governor (in the context of the LSA, a Trustee, and all Trustees are independent of LSA's management) other than the Chair is to take over as chair of this committee and the committee will publish a readily available annual statement.

Physical resources

In the practice-based first year, students are primarily based in their practice placement. In the second year, students are normally based at the LSA studio, a c2,000 sqft space at 141a Mare Street, London, E8 3RH. We have a five-year lease with a three-year break at September 2021.

In 2019/20, First Year students had access to the facilities of their placement provider within the Practice Network as part of their employment, and our agreement with the practices. We delivered lectures, seminars and crits within the Practice Network.

Students had access to London Met facilities, such as the library, as an ongoing commitment set out in on our contract with our validating partner. Additionally, we have agreed a discounted rate for annual library membership with the Architectural Association, which students apply for individually.

From March 2020 all teaching was delivered on-line. For the beginning of the 2020/21 academic year some face-to-face teaching will be undertaken with the appropriate safeguards of social distancing, reduced numbers and additional cleaning and some teaching will be delivered on-line.

Reputation

Over the year under review, the LSA has continued to establish its reputation within the architectural and higher education communities. Highlights include:

- In September 2019, Chief Executive Will Hunter was a keynote speaker at The Hidden School, the annual conference of the European Association for Architectural Education (EAAE) which was hosted in Zagreb, Croatia.
- Following the conference, international architecture magazine Oris published an interview with Will Hunter and the two other keynote speakers, Harriet Harriss, Dean of the Pratt School of Architecture in Brooklyn and Lesley Lokko, departing Director of the Graduate School of Architecture, University of Johannesburg, and new Dean of the architecture school of the City College of New York.
- LSA graduate Robert Buss's final project, the Bricklayers' Arms Consolidation Centre, was shortlisted for the Architects' Journal (AJ) Student Prize 2019: Sustainability Award.
- The London School of Architecture was one of four schools asked to submit an essay to A Decade of Action, a report from the Royal Institute of British Architects on how to reach the UN Sustainable Development Goals. Director of Critical Practice James Soane contributed an essay on how the UN SDGs provide a framework for our curriculum.
- James Soane wrote: 'the LSA was the first UK school to formally adopt the UN Sustainable Development Goals as a formal reference, and as a result was invited to participate in the RIBA's Ethics and Sustainable Development Commission during 2018. A year later, the School joined the Climate Emergency declaration, framing our teaching and learning across all modules with this powerful driver.'
- In a piece for Dezeen, the leading architectural news website, Owen Hopkins identified the LSA as one of three of the most radical initiatives in architectural education by Owen Hopkins (22 July 2020).

Risk management

In line with the requirement to undertake a risk assessment exercise and report on the same in their annual report, the trustees maintain a Risk Register. The trustees have identified five main areas of principal risks and uncertainties which may occur:

- **Governance and management:** the risk the charity might suffer from the lack of direction, the skills and training of the trustees and the good use of its funds;
- **Operational:** the risk inherent in the charity's activities including continuity of staff and a disaster recovery policy;
- **Financial:** includes risks arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, unsuccessful fundraising, or loss of practice support;
- **Reputational:** possible damage to the charity's reputation;
- **Laws, regulations, external and environmental:** looks at the effects of government policies and the consequences of non-compliance with the laws and regulations.
- Having assessed the major risks to which the charity is exposed, the trustees believe that by monitoring reserve levels, by ensuring that controls exist over the key financial systems, and by examining the operational and business risks faced by the charity, they have established systems to identify and manage those risks, which remain under review.

Key committee Terms of Reference

The Audit and Risk Committee

The Audit & Risk Committee is responsible to the Board for:

- 1.** Supporting the Board of Trustees in discharging its responsibility for adequate and effective risk management and control
- 2.** Ensuring that systems are in place for the economic, efficient and effective operation of the School and for the prevention of fraud
- 3.** Reviewing the School's approach to Value for Money
- 4.** Making recommendations as to the appointment of internal and external auditors and monitoring their performance
- 5.** Ensuring the probity of the School's Financial Statements
- 6.** Ensuring that systems are in place to achieve data quality
- 7.** Undertaking such other work as the Board may require

The Audit & Risk Committee is composed of three independent trustees, not serving concurrently on the Finance and Fundraising Committee, at least one of whom should have a background in finance. Independent Trustees: Crispin Kelly (Acting Chair), Nick Bliss, Roland Oakshett, Robert Mull and John Oliver. The Board would like to acknowledge the invaluable contribution of Margaret Stephens, who stood down as a Trustee and the Chair of the Audit & Risk Committee in April 2020.

The Finance and Fundraising Committee

The Finance & Resources Committee is responsible to the Board for:

- 1.** Considering and making recommendations in relation to the School's financial strategy, including annual and long term capital and revenue plans
- 2.** Ensuring that systems are in place to achieve financial viability
- 3.** Considering and making recommendations in relation to the School's Financial Statements and management accounts
- 4.** Advising as and when appropriate on the financial management of the School
- 5.** Reviewing and recommending the Estates Strategy to the Board, and monitoring its application and implementation
- 6.** Agreeing fund-raising plans in prioritised areas
- 7.** Overseeing the coordination and promotion of fundraising through

- a communications strategy designed to influence key external stakeholders to assist in fundraising
- 8.** Monitoring adherence to the Funding Acceptance Policy
- 9.** Reporting to the Board on the progress in relation to fund-raising

The Finance and Fundraising Committee is composed of three independent Trustees: Roland Oakshett (Chair), Davina Mallinckrodt and Crispin Kelly. Ex Officio: Will Hunter. External member: Carolyn Larkin.

The Remuneration Committee

The Remuneration Committee is responsible on behalf of the Board of Trustees for:

- 1.** Providing an independent view and governance check on executive pay and the School’s strategic approach to Total Reward
- 2.** Approving the School’s reward framework and compensation philosophy
- 3.** Approving the School’s annual cost of living award and costs pertaining to the annual Senior Managers’ salary review
- 4.** Agreeing the remuneration of the Director of the LSA and roles reporting directly to the Director
- 5.** Keeping under review the remuneration for all roles that form part of the School’s executive group
- 6.** Approving any performance related pay (PRP) awards for all eligible members of the School
- 7.** Reviewing issues of equality and diversity in relation to remuneration of the School’s executive team

Stakeholder relationships

In carrying out its responsibilities, the Committee will take into account factors such as legal and regulatory requirements, the external operating environment, the financial situation of the School, the value, breadth and complexity of all roles under consideration and the contribution of the role holder, set against national sector benchmarking data.

The Chair of the Committee shall have the authority to act on behalf of the Board (taking into account the advice of the governor representative on the appointment panel) in any case where a proposed salary fell outside the current policy.

The Remuneration Committee is composed of three independent Trustees: Crispin Kelly (Chair), Roland Oakshett, Simon Allford, Ex-Officio: Will Hunter.

Strategic partnerships

The LSA has a range of strategic partnerships. London Metropolitan is our Academic Partner, which awards the MArch. Our Practice Network provides work-based learning opportunities and spatial provision for the taught programme. These relationships are managed and monitored by the executive team. To disseminate the work of the School, we work with Caro Communications. To deliver on our mission to widen access to the profession of architecture, we have started working with Mossbourne Academy, our local school in Hackney.

Equal opportunities

The LSA’s full Equal Opportunity Policy is included in the Staff

Handbook. The LSA is committed to ensuring that, as far as is practicable, all employees, job applicants, customers/clients and other people with whom we deal are treated fairly and are not subjected to unfair or unlawful discrimination.

Our policy is designed to ensure that current and potential workers are offered the same opportunities regardless of sex, race, age, religion or belief, sexual orientation, disability, marital status or civil partnership, pregnancy/maternity, gender reassignment or any other characteristic unrelated to the performance of the job. We seek to ensure that no one suffers, either directly or indirectly, as a result of unlawful discrimination. This extends beyond the individual's own characteristics, to cover discrimination by association and by perception. We recognise that an effective equal opportunity policy will help all employees to develop to their full potential, which is clearly in the best interests of both employees and our school.

We aim to ensure that we not only observe the relevant legislation but also do whatever is necessary to provide genuine equality of opportunity. We expect everyone who works for us to be treated, and to treat others, with respect. Our aim is to provide a working environment free from harassment, intimidation, or discrimination in any form that may affect the dignity of the individual.

The London School of Architecture 2020

Trustees

Crispin Kelly (Chair)
Davina Mallinckrodt (Vice Chair)
Roland Oakshett (Treasurer)
Nick Bliss (Secretary)
Robert Mull
Deborah Saunt
Simon Allford (appointed January 2020)
John Oliver (appointed March 2020)
Margaret Stephens (resigned April 2020)
Diana Rice (resigned September 2019)
Harbinder Bindi (resigned December 2019)

Faculty

Founder and Chief Executive — Will Hunter
Design Director — Clive Sall
Research Director — James Soane
Cities Leader — Lara Kinneir
Tectonic Leader — Lewis Kinneir
History Leader — Alan Powers
Critical Practice Tutors — Peter Buchanan, Dr Kat Martindale, Kirti Durelle
History Tutor — Neal Shashore
Operations Director — Stephanie Rice
Registrar — Marilyn Dyer
Network Coordinator — Jason Sayer
Engagement Manager — John Nahar
Operations Coordinator — Anna Young (August 2019–November 2019)
and Dee Willie-Pepple (January 2020–March 2020)

2019/20 First Year Design Tutors

Blazej Czuba (Public Practice / St Albans City and District Council);

Esther Escribano (Studio Weave & oo); Jessie Turnbull (Mica); Maria-Chiara Piccinelli (PiM Studio); Petra Marko (Marko & Placemakers); Steve Smith (Urban Narrative); Theo Games Petrohilos (Unknown Works); Xenia Adjoubei (Adjoubei Scott Whitby Studio).

2019/20 Design Think Tank Leaders

Heather Macey (McAslan); Angie Jim Osman, Nick Keen (Allies & Morrison); Benjamin Graham, Harbinder Birdi, Fiona Stewart (Hawkins\Brown); Rafael Marks (Penoyre & Prasad); Maurizio Mucciola (PiM Studio); Christophe Egret and Josh Thomas (Studio Egret West); Andrew McEwen, Yasir Azami (Orms); Javier Quintana De Uña (IDOM)

2019/20 Second Year Design Tutors

Akari Takebayashi (Design Office Takebayashi Scroggin); Annarita Papeschi (Flow Architecture); Giulia Furlan (Furlan Beeli et al); Jesper Henrikson (Hesselbrand); Matthew Whittaker (Whittaker Parsons); Paolo Vimercati (Grimshaw); Phillip Turner (AHMM); Rebecca Muirhead (A Small Studio)

Academic Court

Professor Nigel Coates, Chair
Professor Farshid Moussavi
Professor Lesley Lokko

Practice Network

51% Studio, 5th Studio, AckroydLowrie, ACME, Aedas, AHMM, AL_A, Alan Baxter, Alan Higgs Architects, aLL Design, Allies and Morrison, Alma-nac, AOC, Apt, Arney Fender Katsalidis, Ash Sakula, Assemble, Astudio, Aukett Swanke, BDP, Beasley Dickson Architects, Ben Adams Architects, Benedetti, Brady Mallalieu, Buckley Gray Yeoman, Burrell Foley Fischer, C. F. Møller Architects, Carmody Groarke, Chris Dyson Architects, Citizens Design Bureau, Clive Sall Architecture, Coffey Architects, Common Ground Architecture, Coppin Dockray, Cullinan Studio, daab design, Dallas Pierce Quintero, Dallas–Pierce–Quintero, David Chipperfield Architects, David Kohn Architects, Daykin Marshall, De Matos Ryan, Delve Architects, Dennis Sharp Architects, Dow Jones, DSDHA, Erect Architecture, Eric Parry Architects, EVA Studio, Farrells, Formation Architects, Foster & Partners, FreeHaus Design, Gensler, GRID Architects, Grimshaw, HAT Projects, Hawkins\Brown, Haworth Tompkins, Henley Halebrown, Henning Stummel Architects, Herzog and de Meuron, Hesselbrand, HOK, Hopkins Architects, HÛT, IDOM, IF_DO, Interrobang, Jan Kattein Architects, Jestico + Whiles, Jo Cowen Architects, John McAslan + Partners, Jonathan Tuckey Design, Karakusevic Carson, Liddicoat & Goldhill, Lipton Plant Architects, Maccleanor Lavington, Make, Marcus Beale Architects, Marko & Placemakers, MICA, Mikhail Riches, MillsPower Architecture, Morris+Company, Murphy Philipps LLP, NBBJ, Neil Kahawatte Architects, NG Architects, One Works, Orms, Outpost, PARTI, PDP London, Pedder & Scampton, Penoyre & Prasad, Pensaer, Piercy & Company, PiM.Studio, POD Architects, Populous, Prewett Bizley, Pringle Richards Sharratt, Project Orange, RCKa, Red Deer, Richard Parr Associates, RSH+P, Scott Brownrigg, Scott Tallon Walker Architects, ScottWhitby studio, Simpson Studio, Skene Catling de la Peña, Smith Brooke Architects, SODA, Solidspace, Something & Son, Square Feet Architects, Squire & Partners, Stanton Williams,

Stead and Co, Studio Egret West, Studio Octopi, Studio Weave, Surman Weston, SUSO, Takero Shimazaki Architects, Tate Harmer, The Klassnik Corporation, Tonkin Liu, Turner Works, Unknown Works, UnderCover Architecture, vPPR, Walters and Cohen, Waugh Thistleton, We Made That, WestonWilliamson+Partners, What Architecture, WilkinsonEyre, William Smalley Architect, Wimshurst Pelleriti, Wright & Wright, ZCD Architects

Founding Patrons

Niall Hobhouse, Crispin Kelly, Sir Terry Leahy, Nadja Swarovski

Founding Practices

Allford Hall Monaghan Morris, Allies and Morrison, Grimshaw Foster + Partners, IDOM, Orms, PDP London, Rogers Stirk Harbour + Partners, Scott Brownrigg

Founding Partners

Kingspan Insulation, Stanhope, Savills, Tata Steel

Founding Benefactors

Richard Collins, Martin Halusa, Sir Peter Mason, Davina Mallinckrodt

Independent Auditor

MHA MacIntyre Hudson, 6th Floor, 2 London Wall Place, London, EC2Y 5AU

Administrators

The Trust Partnership, 6 Trull Farm Buildings, Tetbury, Gloucestershire, GL8 8SQ

Bankers

HSBC, 60 Queen Victoria Street, London, EC4N 4TR

Solicitors

Withers LLP, 16 Old Bailey, London, EC4M 7EG

Academic Partner

London Metropolitan University

Registered offices

141A Mare Street, London, E8 3RH

Statement of Trustees' responsibilities

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice Accounting for Further and Higher Education;
- 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 charity will continue in business.

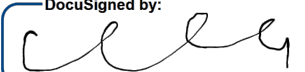
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

On behalf of the Board of Trustees

DocuSigned by:

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Signed: Crispin Kelly

Date:

1 December 2020

Independent Auditor's Report to the Trustees

Opinion

We have audited the financial statements of The London School of Architecture (the 'charity') for the year ended 30 June 2020 which comprise the Statement of Comprehensive Income, the Statement of Change in Reserves, the Balance Sheet, the Statement of Cash Flows 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 charity's affairs as at 30 June 2020, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 set out on page 5, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

 MHA MacIntyre Hudson

MHA MacIntyre Hudson
Statutory Auditor and Chartered Accountants
6th Floor, 2 London Wall Place
London EC2Y 5AU

Date: 1 December 2020

MHA MacIntyre Hudson is eligible to act as an auditor in terms of section 1212 of the Companies act 2006.

Statement of Comprehensive Income for the Year Ended 30 June 2020

		Unrestricted	Restricted	Total Funds	Total Funds
		Income Funds	Funds	Year Ended	18 months
		2020	2020	30 June 2020	Ended 30
Income	Notes	(£)	(£)	(£)	June 2019
Tuition fees and educational contracts	2	691,627	-	691,627	718,275
Donations	3	45,500	7,000	52,500	225,924
In-Kind income		7,730	-	7,730	25,907
Other operating income	4	2,362	-	2,362	12,503
Total income		747,219	7,000	754,219	982,609
Expenditure					
Charitable activities - bursary costs	5	8,417	-	8,417	10,200
Staff costs	6	275,208	-	275,208	332,042
Other operating expenses	7	452,345	7,000	459,345	497,816
In-Kind expenditure		7,730	-	7,730	25,907
Depreciation	8	10,418	-	10,418	9,470
Interest and other finance costs		-	-	-	18
Total expenditure		754,118	7,000	761,118	875,453
Total Comprehensive (Expenditure)/Income for the period		(6,899)	-	(6,899)	107,156

Statement of Changes in Reserves

Balance as at 10 December 2014	-	-	-
Surplus from the income and expenditure account	69,792	-	69,792
Balance as at 31 December 2015	69,792	-	69,792
Surplus from the income and expenditure account	91,343	40,213	131,556
Balance as at 31 December 2016	161,135	40,213	201,348
(Deficit) from the income and expenditure account	(50,846)	(40,213)	(91,059)
Balance as at 31 December 2017	110,289	-	110,289
Income from the income and expenditure account	107,156	-	107,156
Balance as at 30 June 2019	217,445	-	217,445
(Deficit)/Income from the income and expenditure account	(6,899)	-	(6,899)
Balance as at 30 June 2020	210,546	-	210,546

All of the charity's activities derived from continuing activities.

The notes on pages 25 to 32 form part of these financial statements.

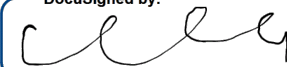
Balance Sheet as at 30 June 2020

		2020	2020	2019	2019
	Notes	(£)	(£)	(£)	(£)
Non current assets					
Fixed assets	8		27,401		33,785
Current assets					
Trade and other receivables	9	59,941		86,402	
Cash and cash equivalents		389,538		271,054	
		449,479		357,456	
Less: Creditors - amounts falling due within one year	10	266,334		173,796	
Net current assets			183,145		183,660
Total net assets			210,546		217,445
Reserves					
Unrestricted Income Funds	12		210,546		217,445
Restricted Funds	12		-		-
Total Reserves			210,546		217,445

Approved by the Board of Trustees on 1-12-20 and
signed on its behalf by:

Crispin Kelly

Chair of the Board of Trustees

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Roland Oakshett

Treasurer

DocuSigned by:

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The notes on pages 25 to 32 form
part of these financial statements.

Statement of Cash Flows at 30 June 2020

		Year Ended	18 months
		30 June	Ended 30
	Notes	2020	June 2019
		(£)	(£)
Cash Flows From Operating Activities:			
Net cash used in operating activities	11	122,518	105,635
Cash flows from investing activities:			
Purchase of equipment	8	(1,934)	(41,378)
Studio improvements	8	(2,100)	-
Net cash used in investing activities:		(4,034)	(41,378)
Change in cash and cash equivalents in the reporting period		118,484	64,257
Cash equivalents at the beginning of the reporting period		271,054	206,797
Cash and cash equivalents at the end of the reporting period		389,538	271,054

Notes to the Financial Statements for the Year Ended 30 June 2020

1. Accounting policies

In preparing the accounts the following accounting policies have been applied consistently.

1.1 Basis of accounting

- The accounts have been prepared in accordance with the Statement of Recommended Practice (SORP 2019): Accounting for Further and Higher Education and the regulations of the Office for Students and where applicable in order to give a true and fair view the 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 (FRS102).
- The charity constitutes a public benefit entity as defined by FRS 102.
- The financial statements are presented in sterling and are rounded to the nearest pound.
- The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

1.2 Status

The London School of Architecture is a Charitable Incorporated Organisation (Charity registered number 1159927) incorporated on 10 December 2014, and registered with the Charity Commission on 13 January 2015.

1.3 Critical accounting estimates and areas of judgement

- Preparation of the financial statements requires the trustees to make significant judgements and estimates.
- The main item in the financial statements where these judgements and estimates have been made is in estimating the value of deferred income, depreciation and donations in kind at the year end.

1.4 Going concern

- Trustees have assessed the going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern, including the impact of coronavirus (Covid-19). The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the Trustees have considered the Charity's forecasts and projections and have taken account of pressures on income. After making inquiries, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.5 Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.
- Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.6 Recognition of income

- All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income, the receipt is probable, and the amount can be quantified with reasonable accuracy.
- For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.
- Donated facilities - where the organisation is given facilities and services for its own use which it would otherwise have purchased, these are included in the organisation's accounts as income and expenditure when received, provided the value of the gift can be measured reliably. The main type of donated facility is space for classes which is provided by architectural practices free of charge.
- Tuition fee income is recognised in the period in which tuition takes place.
- Deferred income represents revenues collected but not earned as of 30 June 2020. This is primarily composed of fee income collected in advance of courses taking place and deferred until the charity is entitled to that income as and when the course takes place.

1.7 Expenditure

- Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.
- Direct costs are allocated to the activity to which they relate.
- Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.
- Expenditure includes irrecoverable VAT which is reported as part of the expenditure to which it relates.

- Bursaries are included in the statement of comprehensive income when approved and when the intended recipient has either received the funds or been informed of the decision to award the bursary and has satisfied all related conditions.
- Where termination benefits are paid to employees the expense, including any legal costs, is recognised as incurred.

1.8 Foreign currency translation

Receipts and payments which occur in foreign currencies are included in the accounts at the amount into which they are converted in sterling, using the exchange rate on the day in which the transaction occurs.

1.9 Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

1.10 Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

1.11 Creditors and provisions

- Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.
- Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

1.12 Tangible Fixed Assets

- All tangible assets purchased in excess of £500 and that have an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Office premises	Straight line, over the term of the lease
Office equipment	33% straight line

1.13 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income

or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.14 Liabilities

Rentals under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

1.15 Financial Instruments

The Charity only holds basic Financial Instruments. The Financial assets and liabilities of the Charity are as follows:

- *Debtors* — trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 9. Prepayments are not financial instruments.
- *Cash at bank* — is classified as a basic financial instrument and is measured at face value.
- *Liabilities* — trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Note 10. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

1.16 Pension Policy

In accordance with its duties under the Pensions Act 2008 the LSA enrolls eligible staff members in its stakeholder pension scheme with a default contribution from the staff of 5% of gross salary. The LSA will match contributions to a maximum of 3% of gross salary. The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

	Unrestricted Income Funds 2020 (£)	Restricted Bursary Funds 2020 (£)	Other Restricted Funds 2020 (£)	Total Funds Year Ended 30 June 2020 (£)	Total Funds 18 months Ended 30 June 2019 (£)
2. Tuition fees and education contracts					
Tuition fees UK	539,946	-	-	539,946	705,306
Discounts on tuition fees UK	(3,644)	-	-	(3,644)	(8,831)
Tuition fees EU	149,000	-	-	149,000	22,000
Discounts on tuition fees EU	(1,175)	-	-	(1,175)	(200)
Tuition fees ROW	7,500	-	-	7,500	-
	<u>691,627</u>	<u>-</u>	<u>-</u>	<u>691,627</u>	<u>718,275</u>

In 2019 all tuition fee income was unrestricted

3. Donations

Donations	45,500	-	7,000	52,500	225,424
Gift Aid	-	-	-	-	500
	<u>45,500</u>	<u>-</u>	<u>7,000</u>	<u>52,500</u>	<u>225,924</u>

Included within donations

Founding Practices	10,000	-	-	10,000	92,500
Founding Patrons	25,000	-	-	25,000	25,000
Philip and Davina Mallinckrodt	-	-	-	-	2,000
Garfield Weston	-	-	-	-	25,000
Schroder Foundation	-	-	-	-	50,000
General Donations	10,500	-	7,000	17,500	30,924
	<u>45,500</u>	<u>-</u>	<u>7,000</u>	<u>52,500</u>	<u>225,424</u>
	-	-	-	-	-

● 2019 Comparative Totals, unrestricted income funds were £165,124 and other restricted funds were £60,800, totalling £225,924

4. Other operating income

Graduation Lunch	222	-	-	222	6,768
Other Student Fees	2,074	-	-	2,074	5,673
Bank Interest	66	-	-	66	62
	<u>2,362</u>	<u>-</u>	<u>-</u>	<u>2,362</u>	<u>12,503</u>

In 2019 all other operating income was unrestricted

5. Charitable activities - bursary costs

Bursary Funds					
LSA	8,417	-	-	8,417	8,900
Drake Trust	-	-	-	-	1,300
	<u>8,417</u>	<u>-</u>	<u>-</u>	<u>8,417</u>	<u>10,200</u>

● 2019 Comparative Totals, unrestricted bursary expenditure was £8,900 and restricted bursary expenditure was £1,300, totalling £10,200.

	2020	2020	2020	2020	2019
Students who benefited from bursary awards during the accounting period	7	-	-	7	9
Students who benefited from bursary awards during the accounting period in 2019	<u>8</u>	<u>-</u>	<u>1</u>	<u>9</u>	<u>-</u>

6. Staff costs

The average number of persons employed during the period and at 30 June 2020, expressed as headcount, was:

	Year Ended		18 months	
	Average	30 June 2020	Average	Ended 30
	Number	Number	Number	June 2019
				Number
Teaching staff	6	6	5	6
Non-teaching staff	5.58	4	4	5
	11.58	10	9	11

	Unrestricted		Unrestricted	
	Funds Year	Restricted	Funds 18	Restricted
	Ended 30	Funds	Ended 30	Funds
Staff costs for the above persons:	June 2020	June 2019	June 2019	June 2019
	(£)	(£)	(£)	(£)
Wages and salaries	240,826	–	304,956	–
Termination payments	13,654	–	–	–
Social security costs	17,053	–	23,413	–
Pension costs	3,675	–	3,673	–
	275,208	–	332,042	–

The termination payment in 2020 was paid to one employee (2019 - none)

	2020:	2019
	£65,000 to	£90,000 to
	£70,000	£95,000
Key management personnel	1	1

	Year Ended	Unrestricted		Restricted	
	30 June	Funds	2020	Funds	Total Funds
	2020	2020	2020	2020	2020
7. Other operating costs	(£)	(£)	(£)	(£)	(£)
Teaching costs		183,052			183,052
Non-teaching costs:					
Legal fees	24,023	–	–	–	24,023
Consultancy fees	49,414	–	6,892	–	56,306
Auditors' remuneration	11,400	–	–	–	11,400
Events	6,352	–	–	–	6,352
Accountancy	17,302	–	–	–	17,302
Marketing	15,408	–	–	–	15,408
Other	65,957	189,856	108	7,000	66,064
Premises costs		79,437		–	79,437
		452,345		7,000	459,344

● The Head of Institution remuneration is disclosed above. There were no further taxable or non-taxable benefits paid. The Trustees consider its key management personnel comprise the Head of Institution. No other staff members were considered to be higher paid.

● No employees received remuneration of more than £100,000 (2019 no employees). The salary of the head provider was 1.65 times the average of all other staff salaries in 2019/20 (2018/19 1.1 times)

7. Other operating costs (continued)	Unrestricted		
	Funds		
	18 months	Restricted	Total
	Ended 30	Funds	Funds
	June 2019	2019	2019
	(£)	(£)	(£)
Teaching costs	172,481	50,000	222,481
Non-teaching costs:			
Legal fees	7,543	-	7,543
Consultancy fees	6,256	-	6,256
Auditors' remuneration	9,900	-	9,900
Events	32,191	-	32,191
Accountancy	13,515	-	13,515
Marketing	24,232	-	24,232
Other	35,306	9,500	44,806
Premises costs	136,892	-	136,892
	438,316	59,500	497,816
8. Tangible fixed assets			
	Office	Office	Total
	equipment	premises	
	(£)	(£)	(£)
Cost:			
At 1 July 2019	11,839	36,049	47,888
Additions	1,934	2,100	4,034
At 30 June 2020	13,773	38,149	51,922
Depreciation			
At 1 July 2019	8,095	6,008	14,103
Charge for the period	2,438	7,980	10,418
At 30 June 2020	10,533	13,988	24,521
Net book value at 1 July 2019	3,744	30,041	33,785
Net book value at 30 June 2020	3,240	24,161	27,401
9. Trade and other receivables			
	2020		2019
	(£)		(£)
Amounts falling due within one year:			
Prepayments and accrued income	33,294		21,008
Other debtors	15,555		15,555
Trade debtors	11,092		49,839
	59,941		86,402

10. Creditors	2020	2020
	(£)	(£)
Amounts falling due within one year:		
Trade creditors	61,982	89,657
Taxation and social security	4,928	4,638
Deferred income	49,553	46,000
Accruals	137,343	32,328
Other creditors	12,528	1,173
	<u>266,334</u>	<u>173,796</u>
Deferred income b/fwd at 1 July 2019	46,000	189,000
Amounts released in the period	(46,000)	(189,000)
New amounts deferred in the period	49,553	46,000
Deferred income c/fwd at 30 June 2020	<u>49,553</u>	<u>46,000</u>

● Deferred income represents revenues collected but not earned as of 30 June 2020. This is primarily composed of income collected in advance of courses taking place and deferred until the organisation is entitled to that income.

11. Reconciliation of net income / (expenditure) to net cashflow from operating activities

	2020	2019
	(£)	(£)
Net income/(expenditure) for the reporting period per the statement of financial activities	(6,899)	107,156
Adjustments for:		
Depreciation charges	10,418	9,470
Decrease in debtors	26,461	80,644
Increase/(Decrease) in creditors	92,538	(91,635)
Net cash used in operations	<u>122,518</u>	<u>105,635</u>

12. Funds	1 July			30 June
	2019	Income	Expenditure	2020
	(£)	(£)	(£)	(£)
Unrestricted Income Funds	217,445	747,219	(754,118)	210,546
Other Restricted Funds	-	7,000	(7,000)	-
Total Funds	<u>217,445</u>	<u>754,219</u>	<u>(761,118)</u>	<u>210,546</u>
	1 January 2018	Income	Expenditure	30 June 2019
	(£)	(£)	(£)	(£)
Unrestricted Income Funds	110,289	921,809	(814,653)	217,445
Restricted Bursary Funds	-	1,300	(1,300)	-
Other Restricted Funds	-	59,500	(59,500)	-
Total Funds	<u>110,289</u>	<u>982,609</u>	<u>(875,453)</u>	<u>217,445</u>

● Other Restricted funds includes donations received for specific projects, including the "Collaborative Change Project" funding from FT Works. Funds were fully expended on the specified projects during the period.

13. Analysis of net assets between funds

	Fixed Assets	Net Assets	30 June 2020
	(£)	(£)	(£)
Unrestricted Income Funds	27,401	183,145	210,546
Total Funds	27,401	183,145	210,546

	Fixed Assets	Net Assets	30 June 2019
	(£)	(£)	(£)
Unrestricted Income Funds	33,785	183,660	217,445
Total Funds	33,785	183,660	217,445

14. Post balance sheet events

There have been no significant post balance sheet events.

15. Commitments under operating leases

As at 30th June 2020, the Charity had annualised operating commitments under non-cancellable operating leases expiring as follows:

	2020	2019
	(£)	(£)
Expiring within one year		
— Land and Buildings	68,904	68,904
	68,904	68,904
Expiring within two to five years		
— Land and Buildings	14,158	83,062
	14,158	83,062

16. Related party transactions

● Trustee Niall Hobhouse donated £4,689 to the charity in 2017 towards an event held during prior period. A provision against this amount was made at the year end.

● The architecture firm AHMM made a donation of £5,000 in the year and were paid £3,740 for teaching time. One of AHMM's principals, Simon Allford, became a Trustee in the year.

17. Comparative Statement of Comprehensive Income for the 18 month period ended 30 June 2019

		Unrestricted Income funds	Restricted Funds	Total Funds
		2019	2019	2019
Income	Notes	(£)	(£)	(£)
Tuition fees and educational contracts	2	718,275	-	718,275
Donations	3	165,124	60,800	225,924
In-Kind income		25,907	-	25,907
Other operating income	4	12,503	-	12,503
Total income		921,809	60,800	982,609
Expenditure				
Charitable activities - bursary costs	5	8,900	1,300	10,200
Staff costs	6	332,042	-	332,042
Other operating expenses	7	438,316	59,500	497,816
In-Kind expenditure		25,907	-	25,907
Depreciation	8	9,470	-	9,470
Interest and other finance costs		18	-	18
Total expenditure		814,653	60,800	875,453
Total Comprehensive Income for the year		107,156	-	107,156

Statement of Changes in Reserves

Balance as at 31 December 2018		110,289	-	110,289
Surplus from the income and expenditure account		107,156	-	107,156
Balance as at 30 June 2019	12	217,445	-	217,445