

ROOM TO HEAL
(a company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Alison Ward Accountants
Chartered Certified Accountants

28 Hills Road
Buckhurst Hill
Essex IG9 5RS

**ROOM TO HEAL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**ROOM TO HEAL
TRUSTEES' REPORT - STATUTORY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

Patron

Jeremy Corbyn MP

Trustees

Penelope Farrar - Chair

Sarah Hughes

Rhodri Jamieson-Ball

Michelle Knorr

Wendy Stayte

Isam Jafar - Interim Treasurer until 27/07/2015

Rebecca Stuart - Treasurer from 27/07/2015

Secretary

Wendy Stayte

Registered Office

Mildmay Community Centre

Woodville Road

London N16 8NA

Company number

06744055

Charity number

1128857

Bankers

The Co-operative Bank

62-64 Southampton Row

London WC1B 4AR

Solicitors

Freshfields, Bruckhaus and Derringer

Independent Examiner

Alison Ward FCCA

Alison Ward Accountants

Chartered Certified Accountants

28 Hills Road

Buckhurst Hill

Essex IG9 5RS

**ROOM TO HEAL
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The trustees present their report and the independently examined financial statements of the charitable company for the year ended 31 December 2015. The statutory information is shown on Page 1.

Introduction

Room to Heal is a human rights charity supporting people who have survived torture and organised violence in rebuilding their lives in exile. At the heart of our work lies the cultivation of a healing community through which our members can restore connection and support one another in overcoming the crippling legacy of their traumatic experiences. This is complimented by a holistic therapeutic programme, and intensive casework support.

In 2015 we had 66 active members, attending our weekly therapy groups, and wider therapeutic programme. A further 50 individuals, did not become full-time members, but were assisted with the resolution of casework problems or offered limited therapeutic support. Our members are amongst the most vulnerable populations in the UK. Typically, after surviving horrific abuses in their countries of origin and long, arduous journeys to the UK, they face years struggling through the asylum system. We believe in the transformative power of community in helping people who have experienced such abuses to heal from these experiences.

Status

The company, number 06744055, is limited by guarantee and has charitable status. The charity registration number is 1128857. It has a Memorandum and Articles of Association as its governing document.

Charitable objectives

The objects for which the Charity is established (as amended 25 March 2009) are:

1. To promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations Conventions and Declarations) throughout the world by all or any of the following means:
 - (a) Relieving need among the victims of human rights abuse
 - (b) Obtaining redress for the victims of human rights abuse (c) Research into human rights issues
 - (d) Raising awareness of human rights issues
 - (e) Promoting respect for human rights among individuals and organisations;
2. To promote social inclusion for the benefit of the public by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Structure, governance and management

Room to Heal's Trustees meet quarterly, with an additional annual strategic planning day held to review progress against adopted priorities and to refresh them for the coming year. As part of this discussion, opportunities and risks facing the organisation are also reviewed. The Chair and Director, as well as the Treasurer and Director, also meet regularly between Trustees' meetings.

Staff

Mark Fish (Founder, Director, Psychotherapist)
Chloe Davies (Deputy Director, Psychotherapist)
Roro Ratih Ambarwati (Senior Community Support Worker)
Kirstin Hubert (Women's Programme Coordinator)
Mary Raphaely (Psychotherapist)
Ahmet Caglar (Psychotherapist)
Mark Brinkley (Casework Coordinator)
Tom Mayer (Clinical Administrator)
Gracie Bradley (Outreach and Communications Coordinator, resigned Feb 2015)
Martha Orbach (Gardening coordinator)

Sessional Staff

Rosalind Franklin (Fundraiser, started July 2015)
Richard Wilson (Fundraiser, April to July 2015)
Imogen Butler (Finance Officer, June 2015 to December 2015)
Isabella Mighetto (Evaluation assistant December 2015)
Iman Nafi (Caseworker, started July 2015)

Clinical Supervision

Regular clinical supervision is provided by Diana Birkett, who is also a supervisor at Freedom from Torture and Head of Counselling at Sutton Counselling Services.

Mary Raphaely provided additional fortnightly supervision to our casework and remaining staff team. She is a group and individual psychotherapist with over thirty years experience and used to coordinate Room to Heal's women's programme.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Volunteers

Rooms to Heal's volunteers are vital to the charity and its work. During 2015, our staff team was joined by a number of volunteers working in a range of capacities, from offering communication and fundraising assistance, to supporting our members with casework guidance, mindfulness training, and assisting on intensive retreats. Volunteers active in 2015 were:

Alida May
Ernest Keeling
Emily Brett (Ourmala yoga)
Grace Allen
Irene Cocco
Isabella Mighetto
Jeremy McDonald
Leila Hekmat
Marc Sutton
Mark Gray
Paul Maston
Sally Cook
Tahmina Nizam

Partner Organisations

In 2015 our members continued to benefit from the support received from Room to Heal's partner organisations:

- o Mildmay Community Centre
- o Culpeper Community Garden
- o The Helen Bamber Foundation
- o The Grange Retreat Centre, Norfolk
- o Ice and Fire
- o Ourmala yoga project
- o Arsenal in the Community
- o OMCT Tunis - World Organisation Against Torture

Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives of the charity.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Room to Heal's Aims, Approach and Activities in 2015

Our Aims

Our Mission:

To support people who have survived torture and organised violence to rebuild their lives in exile through an integrated, community based programme of therapeutic and casework assistance.

We aim to enable people who have survived torture and other forms of organised violence:

1. To heal from their traumatic experiences;
2. To deal with material challenges

And our developing aim is to:

3. To improve the care of torture survivors.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

AIMS	ACTIVITIES/OBJECTIVES	OUTCOMES
	<i>The following activities will help us to achieve this aim:</i>	<i>The following changes in our members will enable us to measure our success:</i>
1. To enable people to heal from their traumatic experiences	Short-term trauma-focused psychotherapy for new members; Therapeutic groups Psycho-education, including mindfulness training; Body-oriented therapies; Nature therapies and social gardening sessions; Creative activities; Intensive therapeutic & skills retreats.	Instillation of hope and meaning in life; Reduced isolation; Development of trust and a sense of belonging Reduction of anxiety, depression and related post traumatic symptoms; Increased ability to articulate traumatic history.
2. To assist people in dealing with material challenges	Casework sessions (to address legal, housing, health and welfare issues); Interventions in support of asylum and other material needs; Education and employment advice sessions	Increased knowledge of and to access/receive support from relevant services (legal, welfare, housing, health); Increased confidence in navigating asylum process; Greater knowledge of and ability to access education, voluntary work and employment training; Greater opportunities to become involved with the wider community.
3. To improve the care of torture survivors	Disseminate our evidence based model in the UK and abroad Articles and media materials; Training sessions; Public events; Engagement with key stakeholders.	Local communities, policy makers, mainstream service providers and the general public have a greater understanding of the needs of survivors of torture and organised violence; Policy and practice are better suited to meeting the needs of survivors of torture and organised violence.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Our Approach

Our 2015 therapeutic programme continued to focus on enabling our members to heal from their traumatic experiences, find renewed meaning in life and integrate into the UK.

We work at depth and intensity to support each individual in their unique journey towards rebuilding their life in exile. Our approach is person-centred, community-based and holistic:

Person-centred:

We believe that recognising a person's humanity is essential. We of course need to work with our members to help them address their 'symptoms' but we also take great pains to treat every individual as a valuable and unique human being, bearing in mind the potential for growth and healing even where there is serious dissociation and fragmentation.

Community-based:

We have found that people who have endured extreme violence and are living in exile, have a deep need for relationship and belonging. Our experience has taught us that as people find a place of belonging and acceptance a profound re-humanising process begins to happen.

Holistic:

We firmly believe that when someone enters our community we need to respond to the whole person and their unique, varied needs. Our casework and therapeutic teams thus work closely together to support each member of our community through all the challenges they face - psychological, physical, social and material.

Our Activities

Throughout 2015, our two core teams, therapeutic and casework, continued to work hand in hand to support individual members in the process of rebuilding their lives in exile, in the context of the healing community that lies at the heart of Room to Heal.

We provided short-term, trauma-focused psychotherapy to new members, prior to their entry into our weekly mixed-gender therapeutic support groups. We also provided two intensive therapeutic and three skills-based retreats with our partners at the Grange in rural Norfolk. Our casework team continued to provide on-going support to individual members in resolving material difficulties, for example related to housing, benefits, medical and legal challenges and developing education and employment opportunities.

A key change over the year has been the shift from single to mixed-gender therapeutic groups. Over recent years, we had increasingly realised that by operating single-gender groups, we were perpetuating a split in the community and preventing important therapeutic work that could only take place in a mixed-gender context. Having successfully piloted increased mixed-gender activities, since January this year we have integrated our men's and women's therapeutic groups and are now running two mixed-gender groups.

In addition we have run a varied programme of bodywork, social and creative activities. For example in 2015 we began a creative partnership with Ice and Fire Theatre Company, who have been assisting our members in developing artistic skills and creating a theatre piece to perform in 2016. We have run a therapeutic gardening programme, cultivating plots in the Mildmay Centre and Culpeper Community Garden. Finally, we have also run a 12-week mindfulness for trauma course.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

All of our activities together contribute to the flourishing therapeutic community that lies at the heart of our work - a place of home and belonging that supports meaningful integration of our members into the wider UK community.

Specific activities undertaken in 2015 are grouped in Table 1 against our aims (p.6).

Snapshot of 2015 membership and services

Numbers:

In 2015, Room to Heal had 66 active members who regularly took part in our weekly therapy groups, individual therapy, gardening groups and casework. In addition we assisted a further 50 men and women over the shorter-term.

Referrals:

In 2015 we received 61 referrals from 21 partner organisations ranging from migrant support organisations, NHS services and lawyers. These individuals either joined our therapeutic support groups or were assisted with practical casework support or given a limited number of individual counselling sessions.

Gender:

54% of our membership was male and 46% female.

LGBT:

21% of our membership were LGBT.

Age:

68% of our members were aged 26-45 years.

Region:

52% were from Africa, 27% from Asia.

The largest groups were from Uganda (19%) and Iran (17%)

Duration of membership:

18% of members in 2015 were referred that year; 15% in 2014, 18% in 2013, 15% in 2012; 16% in 2011 and 18% were referred pre-2011.

Evaluation

Over the past three years, RtH has been developing an evaluation framework with input from Trustees and reference to the Charities Evaluation Services, Comic Relief and other sources of best practice. Each year we plan to incorporate new sources of data, quantitative and qualitative materials, in our annual evaluations, in order to build a more well-rounded picture of RtH and to assess more effectively its programmes. In 2015 we focused our annual evaluation on an analysis of feedback from our membership. In Table 2 we set out some of the survey findings.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Table 2 - Key Survey Results

100% of respondents felt Room to Heal had helped them (70% felt Room to Heal had helped them "very much"; 30% felt Room to Heal had helped them "quite a lot")

100% felt life was more meaningful as a result of coming to Room to Heal

80% felt their quality of life had improved

85% felt their wellbeing had improved

95% felt more positive about the future

83% felt less isolated

90% felt more supported

74% felt more able to engage sensitively with the opposite sex

89% felt more able to cope with symptoms of trauma such as anxiety and depression

100% felt more able to talk about the traumatic, painful things that happened to them

95% felt more able to talk about their needs and issues

100% felt more able to access mainstream services

93% were helped by Room to Heal to access financial support

88% were helped by Room to Heal to access housing

100% were helped by Room to Heal to access healthcare providers

94% of respondents felt more able to cope with the asylum process

100% felt clearer in education and career goals and more confident in pursuing them

80% felt their confidence had improved

88% felt Room to Heal had helped them be feel part of a wider community in London

When asked what Room to Heal meant to people, as in last year's survey, the key theme emerging was one of family, protection and belonging, reflected in the following quotes:

"Room to Heal is a mother to me, where she accepts me as I am and gives me tools to move on with my life. Even if I stumble, she's there for me all the time."

"It means a positive feeling and by being as a family gives you a bit of uplifting and resilience."

"Like a temple, where you can hide from the cruelty of the world."

"Room to Heal is my community, my family, a place where I am open and free to share my thoughts without fear."

**ROOM TO HEAL
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

Financial review

Room to Heal had a successful year in terms of fundraising, despite operating in the increasingly challenging financial environment resulting from recession and cuts to spending.

We secured further funding from the Tudor Trust (2 year funding towards the salaries of the Director/ Psychotherapist and Deputy Director / Psychotherapist). We secured further funding from the United Nations Voluntary Fund for Victims of Torture for our men's programme.

We secured 2 years of unrestricted funding from Alan and Babette Sainsbury Charitable Fund as well as 1 year from the AB Charitable Trust.

We continued to be funded by City Bridge Trust, Lloyds Bank Foundation, Evan Cornish Foundation and Comic Relief.

We also secured a contribution from the Sutasoma Trust towards our Retreat Programme, as well as funding from the Split Moon Trust and the Worshipful Company of Armourers and Brasiers.

Our total income for 2015 was £214,024 and expenditure was £167,029, which compares with an income of £152,216 and expenditure of £134,936 in 2014.

Therefore, in comparison to 2015 our income rose by £61,808 while our expenditure rose by £32,093.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Risk Management

The trustees regularly review the major strategic, business and operational risks faced by the charity and systems have been developed to mitigate the significant risks. Our Risk Register analyses these risks in terms of probability, potential impact and actions necessary to mitigate these risks. The 3 key risks identified are:

1. Service users, staff or volunteers placed at risk
2. Failure to raise sufficient funds to carry out planned activities and meet our financial liabilities
3. Loss of accommodation at Culpeper or Mildmay
4. Staff resourcing / structure no longer fit for purpose

These risks are being mitigated by:

1. We have a variety of policies in place which we ensure all members, staff and volunteers are aware of, we provide regular supervision for staff and now also volunteers, we employ qualified staff who are members of appropriate professional bodies, our staff participate in professional networks and learning opportunities and we review good practice from elsewhere in developing our own practice
2. Developing, implementing and regularly monitoring a fundraising strategy and a finance strategy; diversifying funding streams; having a robust reserves policy. These areas are closely monitored by trustees
3. Maintaining good relationships with accommodation providers and encouraging close collaboration through joint activities; developing a contingency plan and improving system for monitoring and negotiating contracts. Negotiating a lease
4. Regular reviews of staffing structure. A recent review resulted in the creation of a new Operations Director role to be recruited in 2016 which will provide more strategic financial and fundraising oversight, and allow the Director and Deputy Director to concentrate on service development

Reserves policy

The trustees review the organisation's reserves on a quarterly basis, and aim to build sufficient unrestricted reserves to continue its normal activities in the event of a significant drop in funding or increased overheads. The trustees aim to hold three months of direct charitable expenditure as reserves, which will allow the organisation to run efficiently, and meet the needs of its members and staff.

**ROOM TO HEAL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

Plans for the future

During the first few months of 2015 we engaged in a strategic review of Room to Heal and laid plans for the coming 3 years in terms of our work and our organisational development. This involved extensive conversations with staff, volunteers, members and partners. We concluded that Room to Heal's therapeutic model and service provision does not need to be radically altered. Our holistic, person-centred and community-based way of working was shown to be effective and appreciated by our membership.

Room to Heal lies at an important crossroads in its development. The existing part-time staff team all perform significant therapeutic and casework duties, as well as supporting organisational activities and ensuring effective administration of the organisation. As a consequence, there is currently insufficient time remaining for strategic development, for instituting and maintaining efficient administrative systems and for detailed evaluations of programmes etc., which would all contribute to greater effectiveness. For these reasons we plan to work to increase our unrestricted funding and administrative capacity in 2016 and going forward in order to strengthen our ability to deliver our work.

We have an established model that clearly works. We believe we can optimise beneficial impacts for torture victims by working with other organisations to continuously improve the way we all work with our target group and learn from our own good practice. Therefore we are not seeking to significantly increase the size of our membership at this time. Instead, we are concentrating on developing key aspects of our therapeutic programme and community life and sharing our model more widely. For example we are currently looking at the process of supporting our members when they have gained their status and are further branching out into the world. This is an increasingly difficult time, especially in the current context of cuts to public services, limited employment etc. We are thinking through, with members, the best way to support people through this time, planning, for example, to start a 'graduate members' therapy group that would take place after college / work and increasing our casework capacity to help address practical problems people face in this period.

We increasingly want to share our innovative model with key partners and policy makers, in the UK and overseas, to improve support offered to this vulnerable client group. We are also working to ensure that our members, their knowledge and ideas, are increasingly at the heart of this process through the development of in-house community forums and engagement with partnerships such as the Helen Bamber Foundation and Freedom From Torture. We are also beginning to work with OMCT (World Organisation Against Torture) in Tunisia, providing support and training around the Room to Heal therapeutic model of working with survivors of torture.

Our partnerships have been very fruitful in recent years and brought a huge benefit to our members. We will build on and extend these, for example, our partnership with the retreat centre, The Grange. We plan to continue to extend our retreat programme there, and increasingly make The Grange a 'home' for our members. In addition we want to run more projects like our partnership with Ice and Fire Theatre Group, who bring a new expertise and teach our members invaluable skills, as well as help them communicate to the outside world in powerful ways.

**INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF ROOM TO HEAL
FOR THE YEAR ENDED 31 DECEMBER 2015**

Trustees' Responsibilities

Company and charity 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 charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to:-

- 1) select suitable accounting policies and then apply them consistently.
- 2) make judgements and estimates that are reasonable and prudent.
- 3) 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They 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.

Independent Examiner

Alison Ward FCCA of Alison Ward Accountants offers herself for reappointment as Independent Examiner to the charity at the forthcoming AGM.

Small company exemptions

This report has been prepared and delivered in accordance with the provisions in Part 15 of Companies Act 2006 applicable to companies subject to the small companies' regime.

This report was approved by the board on 29 September 2016 and signed on their behalf.

A handwritten signature in blue ink, appearing to read 'Penelope Farrar', with a long horizontal line extending to the right.

Penelope Farrar – Chair

**INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF ROOM TO HEAL
FOR THE YEAR ENDED 31 DECEMBER 2015**

I report on the accounts of the charitable company for the year ended 31 December 2015 which are set out on pages 15 to 24.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 145 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Alison Ward FCCA
Alison Ward Accountants
28 Hills Road
Buckhurst Hill
Essex IG9 5RS

30 September 2016

ROOM TO HEAL
STATEMENT OF FINANCIAL ACTIVITIES (including the Income and Expenditure
Account)
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Income:					
Donations and legacies	2	44,770	153,994	198,764	150,111
Other trading activities		12,115	-	12,115	1,420
Income from charitable activities		3,072	-	3,072	640
Income from investments	3	73	-	73	45
Total income		60,030	153,994	214,024	152,216
Expenditure on:					
Raising funds		10,844	-	10,844	5,166
Charitable activities	4	25,012	131,172	156,184	129,771
Total		35,856	131,172	167,028	134,937
Net income\expenditure)		24,174	22,822	46,996	17,279
Transfer between funds	6	9,607	(9,607)	-	-
Net movement in funds		33,781	13,215	46,996	17,279
Reconciliation of Funds					
Total funds brought forward		4,137	30,196	34,333	17,054
Total funds carried forward		£ 37,918	£ 43,411	£ 81,329	£ 34,333

The company made no recognised gains and losses other than those reported in the income and expenditure account.

The notes on pages 17 to 24 form part of these financial statements

BALANCE SHEET AT 31 DECEMBER 2015

	Note	2015 £	£	2014 £
CURRENT ASSETS				
Debtors	7	-		560
Cash at bank and in hand		91,118		39,050
		91,118		39,610
CREDITORS: Amounts falling due within one year	8	(9,789)		(5,277)
NET CURRENT ASSETS		81,329		34,333
NET ASSETS		£ 81,329	£	34,333
RESERVES				
Unrestricted funds	9	37,918		4,137
Restricted funds	9	43,411		30,196
		£ 81,329	£	34,333

In approving these financial statements as directors of the company we hereby confirm that:

For the year ending 31 December 2015 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the trustees on 29 September 2016



Penelope Farrar – Chair

The notes on pages 17 to 24 form part of these financial statements

**ROOM TO HEAL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES

1a. Basis of preparation

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

Room to Heal meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1b. Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was calculated for short term compensated absence arising from employee entitlement to paid annual leave. The liability was not recognised as it was not material and hence no restatements were required.

1c. Preparation of the accounts on a going concern basis

Room to Heal has reported a surplus of £46,996 for the year. The trustees are of the view that the immediate future of the Trust for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

The uncertain economic outlook and willingness of the public and trusts to donate is a significant area of uncertainty which the trustees have mitigated by reviewing the activities of the charity. The trustees remain in regular contact with sponsoring local authorities (see note 14) to secure their on-going support.

**ROOM TO HEAL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (CONTINUED)

1d. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a specified service it is deferred until the criteria for income recognition are met (see note 2).

1e. Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. The trustees' annual report contains information about the contribution to the charity made by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1f. Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of the interest paid or payable by the Bank.

1g. Funds

The Restricted Funds are restricted income funds given to the charity for specific purposes. They are expendable by the trustees in furtherance of particular projects within the charity objects.

The Unrestricted Funds are funds expendable at the discretion of the trustees in furtherance of the objects of the charity.

**ROOM TO HEAL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (CONTINUED)

1h. Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the a fundraiser's fees and the associated support costs.
- Expenditure on charitable activities includes the costs of counselling and retreats for beneficiaries and other activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1i. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance personnel, payroll and governance costs which support the charity's grant programme and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

1j. Tangible fixed assets

Items of equipment or fixtures are capitalised if their cost is greater than £500.

1k. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1l. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**ROOM TO HEAL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (CONTINUED)

1m. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1n. Taxation

The charitable company is exempt from taxation under sections 466 to 493 of the Corporation Tax Act 2010.

1o. Funds

The Restricted Funds are restricted income funds given to the charity for specific purposes. They are expendable by the trustees in furtherance of particular projects within the charity objects.

The Unrestricted Funds are funds expendable at the discretion of the trustees in furtherance of the objects of the charity.

ROOM TO HEAL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Comic Relief	-	40,000	40,000	40,000
Tudor Trust	-	35,000	35,000	25,000
United Nations	-	25,944	25,944	11,150
Big Lottery Fund	-	-	-	9,925
The Evan Cornish Foundation	-	-	-	7,500
The Bromley Trust	-	-	-	6,250
Lloyds Bank Foundation	-	10,050	10,050	10,050
The City Bridge Trust	-	40,000	40,000	30,000
AB Charitable Trust	10,000	-	10,000	-
A & B Sainsburys	30,000	-	30,000	-
Sutasoma	-	3,000	3,000	-
Woodward Trust	-	-	-	1,000
The Stephen Gordon Catto Trust	-	-	-	1,000
The Dove Trust	-	-	-	193
Donations and small grants	4,050	-	4,050	7,666
Other income	720	-	720	377
	<u>£ 44,770</u>	<u>£ 153,994</u>	<u>£ 198,764</u>	<u>£ 150,111</u>

The charity received £3,000 from the Austin & Hope Pilkington Trust for 6 weeks of nature therapy commencing in March 2016. These funds have been deferred and the income will be included in the 2016 Statement of Financial Activities.

The charity benefits greatly from the involvement and enthusiastic support of its volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3. INCOME FROM INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Bank interest receivable	73	-	73	45
	<u>£ 73</u>	<u>£ -</u>	<u>£ 73</u>	<u>£ 45</u>

ROOM TO HEAL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

4. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Salaries	1,098	106,155	107,253	88,394
Gardening	1,142	9,526	10,668	4,000
Retreats	-	3,515	3,515	1,431
Art materials and other programme costs	25	640	665	2,002
Events	2,383	-	2,383	1,193
Client travel	901	5,327	6,228	7,903
Staff supervision	-	-	-	1,470
Staff recruitment and training	225	-	225	60
Staff travel	167	-	167	25
DBS checks	-	-	-	63
Evaluation	-	-	-	1,100
Volunteer expenses	42	-	42	265
Refreshments	508	3,215	3,723	2,923
Publicity	77	-	77	51
Rent	11,483	704	12,187	10,833
Insurance	1,267	423	1,690	1,217
Telephone and internet	411	-	411	343
Office consumables	653	232	885	603
IT costs	424	-	424	158
Bookkeeping and accounting	3,631	-	3,631	2,878
Professional fees	-	-	-	1,200
Governance costs	85	1,435	1,520	1,328
Sundry expenses	490	-	490	331
	<u>£ 25,012</u>	<u>£ 131,172</u>	<u>£ 156,184</u>	<u>£ 129,771</u>

5. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Trustee meeting costs	72	-	72	19
Companies House filing fee	13	-	13	13
Independent examination	-	1,435	1,435	1,296
	<u>£ 85</u>	<u>£ 1,435</u>	<u>£ 1,520</u>	<u>£ 1,328</u>

ROOM TO HEAL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

6. TRANSFER BETWEEN FUNDS

The transfer between funds represents the contribution to core costs made by the restricted funds.

7. DEBTORS	2015	2014
	£	£
Other debtors	-	560
	<u> </u>	<u> </u>
	£ -	£ 560
	<u> </u>	<u> </u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	-	478
Other creditors including taxation and social security	967	1,802
Accruals and deferred income	8,822	2,997
	<u> </u>	<u> </u>
	£ 9,789	£ 5,277
	<u> </u>	<u> </u>

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Fund Balances at 31 December 2015 are represented by				
Current assets	46,272	44,846	91,118	39,611
Current liabilities	(8,354)	(1,435)	(9,789)	(5,277)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Net Assets	£ 37,918	£ 43,411	£ 81,329	£ 34,334
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**ROOM TO HEAL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

10. OPERATING SURPLUS

	2015	2014
	£	£
Surplus is stated after charging:		
Staff costs (note 12)	107,253	88,394

11. STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The charity considers its Key Management Personnel to be the directors/trustees, the Director and Deputy Director.

Employment costs during the year amounted to:	2015	2014
	£	£
Wages and salaries	103,103	85,109
Social security costs	4,150	3,285
	<u>£ 107,253</u>	<u>£ 88,394</u>

The average monthly numbers of employees during the year was 3.5 (2014 - 3.5).

The trustees neither received nor waived any emoluments during the year (2014 £Nil) other than stated in note 12 below.

12. RELATED PARTIES

The Managing Director, Mark Fish, is also a director and trustee of the charity. He received a salary of £23,529 from the charity in the year (2014 - £21,404). This is in accordance with paragraph 4.5 (a) of the Articles of Association. There were no amounts outstanding to or from Mark Fish at 31 December 2015 (31 December 2014 - £Nil).

The Interim Treasurer, Isam Jafar, who resigned in July 2015 received £956 for accounting services to the charity during the year (2014 - £2,878). This is in accordance with paragraph 4.4 (d) (i) of the Articles of Association. The charity owed him £Nil at 31 December 2015 (31 December 2014 - £478).