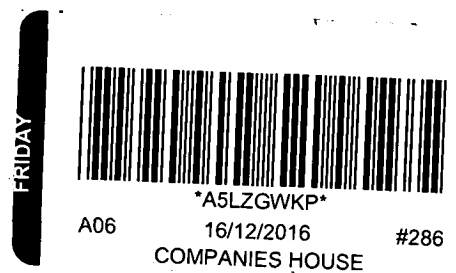


THE POETRY SCHOOL
(COMPANY NO. 03434849)
(CHARITY NO. 1069314)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

Myrus Smith
Norman House
8 Burnell Road
Sutton
Surrey. SM1 4BW



THE POETRY SCHOOL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

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THE POETRY SCHOOL

CHAIR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The annual report is an opportunity to reflect on another extremely successful year - The Poetry School continues to thrive. The vision of Mimi Khalavati, Jane Duran and Pascale Petit to provide structured, high quality teaching programmes for adults to develop their poetry from its beginnings through to advanced level has remained at the core of the school's work, but the scope of the programme has flourished.

While courses and workshops remain at the core of the offering the school has expanded the reach of the organization by developing an extremely strong digital presence; the introduction of an MA course; plus new programme of The Poet in the World which recognizes that poets reach a point where they must start developing an audience for their work and equally are looking for opportunities for creative encounters and provocations that will stretch and test their poetic skills and sensibilities.

Details of the success of these various programmes are outlined below and there is no need to repeat those successes, but it is important to place some emphasis on the development of the MA course. In partnering with Newcastle University the School has managed to create an accredited course that ensures academic rigor. So whether someone is starting out to explore the writing of poetry; or whether an experienced poet is looking for a post-graduate qualification the Poetry School can meet their needs.

None of this would happen without the tremendous work that the staff undertake through-out the year – the work of the staff ensures that the work of the board is straightforward. During this year there has been the transition of director from Ollie Dawson to Sally Carruthers. Ollie had taken the organization from a loose grouping of poetic programming to a solid and respected organization at the heart of the poetry community, he hands onto Sally an organization that has sound financial footings and a creative programme second to none.

Sally joins the school with substantial fundraising experience and an expansive vision for the future. The board took time in recruiting a successor to Ollie, but in Sally it is felt that we have a director that will take the School to the next level.

The board is significantly strengthened by the addition of Helen Taylor – her depth of experience in the poetry world provides a great opportunity for the School to strengthen its programming and reach out to a much wider audience.

The school is nothing without its tutors. Over 100 poets have led courses or workshops. They have provided guidance, inspiration, wisdom and experience to all their students. And, of course, the tutors are lucky to have such a diverse, eclectic and talented student body – such a group is not found in many places.

Staff, tutors, students and trustees are all truly grateful for the support shown by Arts Council England.

While reports are by necessity a time to look back and reflect on achievements the School has ambitious plans for the future with events and special projects planned to celebrate the 20th Anniversary of its founding in 1997. These will herald a planned capital campaign to create a permanent home for the organisation.

Ian Webster
Co-Chair
CHAIR OF THE BOARD OF TRUSTEES

13 December 2016

THE POETRY SCHOOL
TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The Trustees present their report for the year ended 31 March 2016.

Reference and Administrative Details

TRUSTEES

Philip Pollecoff

Amy Key

Ian Webster

(Acting Co-Chair)

Daphne Astor

Julia Meek

(Acting Co-Chair)

Hugh Rayment-Pickard

Helen Taylor

(Appointed 22 October 2015)

REGISTERED OFFICE

81 Lambeth Walk

London

SE11 6DX

COMPANY NUMBER

03434849

CHARITY NUMBER

1069314

BANKERS

CAF Bank Limited

Kingshill

West Maling

Kent

ME19 4TA

AUDITORS

Myrus Smith

Norman House

8 Burnell Road

Sutton

Surrey

SM1 4BW

THE POETRY SCHOOL
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2016
/contd...

Objectives and Activities

The purposes of the charity are:

- To provide inspiring tuition and opportunities for poets and poetry audiences.
- To encourage poets and poetry to flourish.
- To offer high quality creative poetry tuition, direction and support which is affordable, and accessible to all.

The vision which shapes our annual activities remains the teaching of poetry as an art form from beginner level to an accredited MA in partnership with Newcastle University. To act as a talent development agency for emerging voices.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. The Poetry School relies in income from course fees as well as grants from bodies such as Arts Council England and other trusts and individuals to cover its operating costs. Affordability and accessibility to our programmes is important to us and is reflected in our pricing and bursary policies set out in detail later in this report.

We endeavour to encourage more people to take part in our activities and offer a comprehensive digital programme enhanced and supported by CAMPUS, the world's largest social network for poets.

The strategies employed to achieve the charity's aims and objectives are to:

- Present and market a wide range of programmes, seminars and workshops to appeal to poets of all abilities and from all backgrounds.
- Utilise digital methods of teaching to ensure that in addition to our UK wide physical centres students from all areas can access our work.
- Achieve greater sustainability, resilience and impact by scaling-up the Poetry School's operations; increasing staff numbers, improving systems and diversifying the funding base.
- Engage in partnership activities with relevant groups and organisations to devise creative ways for individuals to further their practice and gain experience.

Putting these strategies into action we have 4 main areas of activity – our core informal teaching programme, MA, digital offering and CAMPUS and special projects and partnerships.

Achievements and Performance

Informal Teaching Programme

This is the core of the Poetry School's offer, and has existed in some form since the organisation's founding in 1997. We run a programme of activities to teach adults how to write poetry, and this programme is segmented in various ways to take account of people's skills, interests, geographical and social situation, level of commitment, and budget.

Most face-to-face classes take place in the evening and at weekends. We have 30 week courses over a year, 10 and 5 session courses over a term, and one and two day sessions at weekends. Classes are set at beginner, intermediate and advanced level, and students can learn about the technical, inspirational or professional aspects of writing poetry. They can also choose from a pedagogical spectrum from lecture to practical workshop. London classes are most segmented, regional ones less so. Online classes are termly, are similarly segmented, and are either synchronous or asynchronous. The latter option allows people to take place from time zones all over the world.

THE POETRY SCHOOL
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2016
/contd...

In 2015/6, we offered an average of 9 extended classes (ones taking place over more than one term), 5 short courses and 7 one day workshops a term in London. Online, we had an average of 12 courses a term. Regionally, we had an average of 4 short courses and 3 one day sessions a term. Face-to-face courses have a capacity of 16 people, online 12, and we operate at between 60 & 70% average capacity – although within that average, we have a lot of sold-out courses, and some which run with lower numbers because they are niche interests.

MA

2015/6 saw the launch of our first accredited course, a Writing Poetry MA in association with Newcastle University. We enrolled a first cohort of 10 students, and completed the first year of study during 2015/6. Students for the 2016/7 cohort (11 of them) also enrolled during this year, in anticipation of starting their studies in September 2016.

Digital Offering and CAMPUS

The Paul Hamlyn Foundation agreed to fund the CAMPUS project for a two year period starting September 2013, ending 2015. There was marked underspend from the first two years of project, despite having achieved the vast majority of the initial two-year targets; this allowed us to continue our most popular free programme strands, such as the Digital Poet in Residence, commission brand new content, and develop further technical improvements to the platform – all well into Year 3. Much of the web development work has responded directly to many of the insights raised as result of the independent evaluation process during Year 2. CAMPUS continues to be privately funded by the Poetry School, and we are looking to raise further funds in the future to expand the project further.

Special projects and partnerships

Our 'Poet in the World' strand of programming is how we address our audience development targets, focussing particularly on bringing in a younger and more diverse group of writers to the Poetry School. A series of special projects and partnerships helps us do that. In 2015/6, we concentrated on ...

Mixed Borders – a collaborative partnership with London Parks and Gardens Trust putting trainee poets-in-residents in London's gardens over Open Garden Squares Weekend.

The Complete Works – working with the BAME poets development scheme to create bespoke programming.

The Forward Arts Foundation – working with the people behind the Forward Prizes for Poetry to deepen the connection between the prize process and poetry readers and writers via programming and marketing.

Lo and Behold – a Poetry School-funded micro-commissioning fund, resulting in two new CAMPUS pamphlets, a scratch live literature performance, an ongoing poetry and walking project, and the beginnings of a poetry and dance project.

Primers – a collaboration with Nine Arches Press – a poetry mentoring and publication project, resulting in a first volume (of three planned) publishing four new talented writers.

New North Poets – a mentoring project delivered for New Writing North.

1215now – a youth focussed digital poetry residency focussing on the 800th anniversary of the Magna Carta.

THE POETRY SCHOOL
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2016
/contd...

Our Creative Values

The Poetry School was established in 1997 by three poets around a kitchen table. From these beginnings our artistic values have grown with a core commitment to providing inspiring tuition and opportunities for poets and poetry audiences. Since our earliest days our activities have enabled poets and poetry to flourish.

With established teaching centres throughout England as well as online courses, downloadable activities, and the world's biggest social network dedicated to poetry – CAMPUS – the Poetry School is unique in its ability to reach and develop aspiring poets wherever they may be, both in the UK and internationally.

We respect the diversity and views of our audiences and ensure that all comments on our artistic programme, both positive and negative are respected and heard. We aim to respond to all queries and complaints regarding our programme immediately and properly and ensure that all tutors, students and other stakeholders have their voices heard and their comments noted.

The Poetry School is a proud National Portfolio Organisation of Arts Council England 2015-2018.

Student Experience

The School is committed to monitoring the satisfaction of its students and all the groups with which we work. Over 80% of our students return to take courses in the future, a statistic which indicates the success of our offer.

My work is continually improving as a result of the Poetry School and my knowledge and yearning for a still deeper understanding of the art and craft of poetry continues to grow. Thank you so much. – Student 2015-16.

The Poetry School helps you get exposed to different ways of learning, writing and thinking that might have taken years to find out on your own or most likely you would have never realised. That's a very valuable gift. – Summer survey response, 2015-16.

I completed three terms at the Poetry School and quite frankly feel privileged. I have learned so much and want to learn more. The tutors were expert and intellectually generous. I count myself as a lucky person to have had this experience. – Summer survey response, 2015-16

It has been so liberating to be part of a community of poets – finally, people who don't see poetry as "dead", or exasperating, or boring, but instead as something worth being passionate about. I look forward to the sessions every month! – Student 2015-16

Financial Review

The Poetry school has been mainly funded by the Arts Council England (ACE). The support of ACE continues to be essential to maintaining our core costs which will be kept at the current level of activity. Despite the increasing pressure on the public expenditure, the poetry school has secured funding from the ACE as one of its NPO's until 2018. The trustees understand that the charity is expected to generate increasing proportions of funds through increased sales income, commissioned projects and philanthropy from major trusts and foundations as well as individual donors.

THE POETRY SCHOOL
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2016
/contd...

The principal source of income for the school was the course sales of £175,388 in 2015 which increased by 6.5% to 186,819 in 2016. The New Artistic Programme generated £19,562 in 2016 up by 92.5% compared to the previous year (£10,157 – 2015). The poetry school has successfully added a new line of income after the successful launch of the MA Programme in partnership with Newcastle University.

Our Pricing Policy

The Poetry School is committed to ensuring that its work is accessible and affordable to all who wish to participate, no matter their financial circumstances.

We have not increased our course fees since Autumn 2014. The full price for a term (9 or 10 weeks) is £171.

We offer short courses for £90 for 5 sessions during the term as well as free content on the website.

Tutorials in person cost £100 for a meeting with prepared feedback from the tutor on a submission of 200 lines of poetry.

Our MA is £5,500 for the two year course. Of this amount the Poetry School takes 85% and Newcastle University 15%.

We offer means tested bursaries to all those who qualify, with up to 75% of costs funded. In 2015-16 £3,962.46 was given in bursary funding to students.

Our tutor fees are based on the Society of Authors Freelance Rate Reckoner and we are proud to be a London minimum wage employer. We hold regular reviews with tutors and benchmark our policies against comparators within the arts and academic sectors.

Investments

The Poetry School currently has no investments on which to report.

Reserves Policy and Going Concern

Reserves are required to cover unplanned emergency expenditure and the trustees consider the ideal level of reserve would be three months' worth of overhead costs. The poetry school held a reserve of £108,297 as at 31st March 2016. The Poetry School balance sheet remains strong with current assets of £139,480.

The trustees have reviewed the circumstances of the school and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The trustees are of the view that the Poetry School is a going concern.

Plans for Future Periods

The financial year 2015-16 was affected by the lack of a Director at the Poetry School from August 2015 to March 2016. The Head of Programmes successfully took on the tasks of board reports and other responsibilities and should be commended for the excellent job she did. As a result the team was stretched so some of the planned developments for the period were put on hold. A new Director started at the School in March 2016.

THE POETRY SCHOOL
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2016
/contd...

The School has revised its Articles of Association to bring it more closely in line with current Charity Committee advice based on the Charities Act 2011.

The School continues to develop and strengthen relevant partnerships with key organisations as can be seen in our special projects and other activities.

The School has ambitious plans for the future with events and special projects planned to celebrate the 20th Anniversary of its founding in 1997. These will herald a planned capital campaign to create a permanent home for the organisation.

Structure Governance and Management

Governing Document

The Poetry School is a private company limited by guarantee (company number 3434849) governed by its Memorandum and Articles of Association dated September 2016. It is a registered charity within the charity commission, number 1069314.

Appointment of Trustees

As set out in the Articles of Association the chair of the trustees is nominated by the Board. Board members serve for 3 years with 30% of members retiring on an annual basis with an option of re-election.

All members have the opportunity to nominate or support the nomination of trustees before each board meeting and when considering new trustees the Board considers the requirement for any specialist skills required – for instance, in the eventuality of a capital campaign large scale project management and construction skills will be required.

Organisation

The board of trustees administers the charity. The Board normally meets quarterly and a representative from Arts Council England is also invited to attend. An Executive Director is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations a Creative Director has also been appointed by the Board to manage the programme and special projects.

Related Parties and Co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with other poetry organisations must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Pay Policy for Senior Staff

The directors consider the board of directors, who are the Poetry School's trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 12 of the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity the directors benchmark against other arts organisations of a similar size.

THE POETRY SCHOOL
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2016
/contd...

Risk Management

The organisation has a risk management strategy which comprises –

- An annual review of the principal risks and uncertainties that the charity faces in line with ACE reporting guidelines
- The establishment of policies, systems and procedures to mitigate these risks identified
- Discreet risk assessments when faced with new or special projects, such as the potential for a capital campaign or other extraordinary activity.

ACE gave the charity a risk rating of 6 (moderate).

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the Poetry School for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 (FRSSE)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

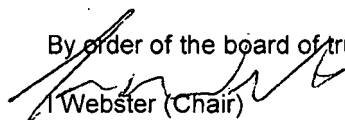
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

In so far as the trustees are aware:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the board of trustees



I Webster (Chair)

13 December 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF:

THE POETRY SCHOOL FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of The Poetry School for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF:

**THE POETRY SCHOOL
FOR THE YEAR ENDED 31 MARCH 2016**

/contd...

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.



K.C. Fisher (Senior Statutory Auditor)
For and on behalf of Myrus Smith,
Chartered Accountants and Statutory Auditors

Norman House,
8 Burnell Road,
Sutton, Surrey,
SM1 4BW

Dated: 15th December 2016

THE POETRY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (including the Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	145,932	1,000	146,932	138,600
Investment income	3	224	-	224	180
Charitable activities	4	<u>231,685</u>	<u>-</u>	<u>231,685</u>	<u>191,162</u>
TOTAL INCOME		<u>377,841</u>	<u>1,000</u>	<u>378,841</u>	<u>329,942</u>
EXPENDITURE ON:					
Raising funds		-	-	-	800
Charitable activities	5	<u>349,127</u>	<u>15,087</u>	<u>364,214</u>	<u>333,270</u>
TOTAL EXPENDITURE		<u>349,127</u>	<u>15,087</u>	<u>364,214</u>	<u>334,070</u>
NET INCOME/(EXPENDITURE)	6	28,714	(14,087)	14,627	(4,128)
Transfer between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>28,714</u>	<u>(14,087)</u>	<u>14,627</u>	<u>(4,128)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward at 1 April 2015		<u>79,583</u>	<u>15,337</u>	<u>94,920</u>	<u>99,048</u>
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2016		<u>£108,297</u>	<u>£1,250</u>	<u>£109,547</u>	<u>£94,920</u>

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

The notes on pages 13 to 18 form part of these financial statements.

THE POETRY SCHOOL
(Company No. 03434849)

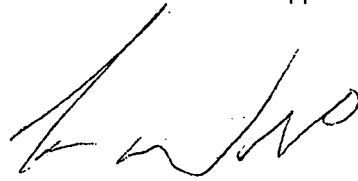
BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016		2015	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		1,496		1,215
CURRENT ASSETS					
Debtors	10	13,336		11,657	
Cash at bank and in hand		<u>126,144</u>		<u>108,077</u>	
		139,480		119,734	
CREDITORS:					
Amounts falling due within one year	11	<u>31,429</u>		<u>26,029</u>	
NET CURRENT ASSETS			<u>108,051</u>		<u>93,705</u>
NET ASSETS	12		<u>£109,547</u>		<u>£94,920</u>
FINANCED BY:					
Unrestricted funds	13		108,297		79,583
Restricted funds	13		<u>1,250</u>		<u>15,337</u>
			<u>£109,547</u>		<u>£94,920</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The accounts were approved by the Board of Directors on 13th Dec 2016.


Ian Webster
(Co-Chair)

The notes on pages 13 to 18 form part of these financial statements

THE POETRY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and 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 for Smaller Entities (2015) and the Companies Act 2006.

Tangible Fixed Assets

Fixed assets are shown at historical cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life by the straight line method.

Furniture and equipment	25%
Improvements to leasehold premises	20%

Taxation

The charitable company is exempt from taxation under s505 Income and Corporation Taxes Act 1988.

Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received and the amount of income receivable can be measured reliably.

The Poetry School receives much of its income at the start of the academic year for courses held throughout that year.

Funds

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

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

THE POETRY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016
(CONTINUED)

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Arts Council England	140,409	-	140,409	105,409
Other Grants	-	-	-	30,000
Donations	<u>5,523</u>	<u>1,000</u>	<u>6,523</u>	<u>3,191</u>
	<u>£145,932</u>	<u>£1,000</u>	<u>£146,932</u>	<u>£138,600</u>

Of the £138,600 received in 2015, £108,600 was unrestricted funds and £30,000 was restricted funds.

3. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Bank interest receivable	<u>£224</u>	<u>£Nil</u>	<u>£224</u>	<u>£180</u>

All of the £180 received in 2015 was unrestricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Courses (inc. online)	129,576	-	129,576	130,096
Tutorials	10,724	-	10,724	6,639
Seminars	28,408	-	28,408	23,420
Workshops	18,111	-	18,111	15,204
Special Events	-	-	-	29
New Artistic Programmes and Special Projects	19,562	-	19,562	10,157
Higher Education Programme	22,378	-	22,378	-
Rent Receivable	<u>2,926</u>	<u>-</u>	<u>2,926</u>	<u>5,617</u>
	<u>£231,685</u>	<u>£Nil</u>	<u>£231,685</u>	<u>£191,162</u>

All of the £191,162 received in 2015 was unrestricted funds.

THE POETRY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016
(CONTINUED)

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
H.E.L.P. (Designated)	1,836	-	1,836	5,750
Salaries and staff costs	112,320	12,087	124,407	119,884
Tutor fees	85,518	-	85,518	80,163
Rent and venue hire	37,003	-	37,003	36,560
Premises cost	7,561	-	7,561	8,093
Marketing	25,934	-	25,934	15,596
Course Expenses	3,817	-	3,817	3,012
Higher Education Programme	4,641	-	4,641	-
New Artistic Programmes	12,295	3,000	15,295	9,790
Bursary	2,206	-	2,206	3,134
Bad Debt	-	-	-	5,741
Insurance	1,779	-	1,779	641
Postage	89	-	89	237
Website costs	11,125	-	11,125	10,675
Legal and professional	3,573	-	3,573	-
Refunds	4,474	-	4,474	5,454
Repairs and renewals (Inc. IT)	7,914	-	7,914	5,228
Stationery and office supplies	3,169	-	3,169	3,633
Telephone and Internet	1,133	-	1,133	1,056
Bank and PayPal charges	2,962	-	2,962	2,046
Sundry expenses	1,453	-	1,453	1,791
Depreciation	<u>1,024</u>	<u>-</u>	<u>1,024</u>	<u>1,062</u>
DIRECT PROJECT COSTS	331,826	15,087	346,913	319,546
SUPPORT COSTS				
Salaries and staff costs	15,000	-	15,000	10,950
Auditors remuneration	1,704	-	1,704	1,770
Director and trustees' expenses	<u>597</u>	<u>-</u>	<u>597</u>	<u>1,004</u>
	<u>£349,127</u>	<u>£15,087</u>	<u>£364,214</u>	<u>£333,270</u>

Of the £333,270 expended in 2015, £306,463 was charged to unrestricted funds and £26,807 was charged to restricted funds.

THE POETRY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

6. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2016	2015
This is stated after charging:		
Auditors' remuneration:		
Audit services	£1,504	£1,530
Non-audit services – accountancy services	£200	£240
Depreciation and amortisation:		
Tangible assets: owned	£1,024	£1,062
	<u> </u>	<u> </u>

7. STAFFING

	2016	2015
	£	£
Salaries and staff costs	131,142	122,738
Social Security cost	<u>8,265</u>	<u>8,096</u>
	<u>£139,407</u>	<u>£130,834</u>

No employee received emoluments of more than £60,000.

	2016	2015
Number of Staff	No.	No.
Director	1	1
Programme & Marketing	3	3
Administration & Finance	1	2
Caretakers	<u>2</u>	<u>2</u>
	<u>7</u>	<u>8</u>

8. TRUSTEE EXPENSES

Trustees were reimbursed for out of pocket expenses. These amounted to £151 for the year (2015: £192).

THE POETRY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

(CONTINUED)

9. TANGIBLE FIXED ASSETS

	Improvements to Leasehold Premises £	Furniture & Equipment £	Total £
Cost			
At 1 April 2015	21,712	38,771	60,483
Additions	<u>-</u>	<u>1,305</u>	<u>1,305</u>
At 31 March 2016	<u>21,712</u>	<u>40,076</u>	<u>61,788</u>
Depreciation			
At 1 April 2015	21,712	37,556	59,268
Charge for the year	<u>-</u>	<u>1,024</u>	<u>1,024</u>
At 31 March 2016	<u>21,712</u>	<u>38,580</u>	<u>60,292</u>
Net Book Values			
At 31 March 2016	<u>£Nil</u>	<u>£1,496</u>	<u>£1,496</u>
At 31 March 2015	<u>£Nil</u>	<u>£1,215</u>	<u>£1,215</u>

10. DEBTORS

	2016 £	2015 £
Other debtors	357	546
Prepayments	<u>12,979</u>	<u>11,111</u>
	<u>£13,336</u>	<u>£11,657</u>

11. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Other creditors including taxation and social security	11,562	4,928
Accruals	1,830	1,830
Deferred income	<u>18,037</u>	<u>19,271</u>
	<u>£31,429</u>	<u>£26,029</u>

All of the Deferred income brought forward was released during the year.

THE POETRY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016
(CONTINUED)

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Fund Balances at 31 March 2016 are represented by				
Tangible fixed assets	1,496	-	1,496	1,215
Current assets	138,230	1,250	139,480	119,734
Current liabilities	(31,429)	-	(31,429)	(26,029)
	<u>£108,297</u>	<u>£1,250</u>	<u>£109,547</u>	<u>£94,920</u>

13. MOVEMENT IN FUNDS

	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
Restricted Funds:					
Paul Hamlyn Foundation	15,087	-	15,087	-	-
Student Residency	-	1,000	-	-	1,000
Apples & Snakes	<u>250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250</u>
	<u>15,337</u>	<u>1,000</u>	<u>15,087</u>	<u>-</u>	<u>1,250</u>
Unrestricted Funds:					
General	77,747	377,841	347,291	-	108,297
Designated	<u>1,836</u>	<u>-</u>	<u>1,836</u>	<u>-</u>	<u>-</u>
	<u>79,583</u>	<u>377,841</u>	<u>349,127</u>	<u>-</u>	<u>108,297</u>
Total Funds	<u>£94,920</u>	<u>£378,841</u>	<u>£364,214</u>	<u>£Nil</u>	<u>£109,547</u>

Funds

Apples & Snakes – £250 remains for partnership working between the two organisations following a successful jointly programmed course in 2014.

Paul Hamlyn Foundation – CAMPUS project and digital content.