

— ORIGINAL —

Charity registration number 1103602

**ORIENTAL FINE ARTS ACADEMY OF LONDON**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

## **ORIENTAL FINE ARTS ACADEMY OF LONDON**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr S Suresh Mr P Navendran Mr S Selvendran Mr P Niranjana Mr S Dawood Mr M T Selvarajah Mrs A Vimaladasa
<b>Charity number</b>	1103602
<b>Principal address</b>	183 Burnt Oak Broadway Edgware Middlesex HA8 5EH
<b>Auditor</b>	RehncyShaheen Chartered Accountants 1276/1278 Greenford Road Greenford Middlesex UB6 0HH

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# **ORIENTAL FINE ARTS ACADEMY OF LONDON**

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# **ORIENTAL FINE ARTS ACADEMY OF LONDON**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2022***

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the OFAAL's constitution [governing document], the Charities Act 2011 and "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 2019).

#### **Objectives and activities**

The trustees have diligently adhered to the duty outlined in section 17 of the Charities Act 2011, ensuring due regard to the public benefit guidance issued by the Commission. The principal objectives of OFAAL, as outlined in our constitution, encompass a broad spectrum of activities aimed at advancing education, promoting native languages and cultures, and providing support to the community.

#### **Public Benefit Statement**

Public benefit remains central to our charitable activities. The two criteria defining public benefit—identifiable benefits and benefits to the public—have been carefully reviewed and addressed. The trustees have conducted the necessary reviews and are pleased to confirm compliance with their duties.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the OFAAL should undertake.

#### **Activities and Achievements**

Throughout 2022, OFAAL has been actively engaged in fulfilling its constitution's objectives. Despite the challenges posed by the COVID-19 pandemic, the organization has maintained a strong presence and delivered services to its members and the wider community.

#### **Legal Victories and Recognition**

We are delighted to announce a significant legal victory regarding the name, logo, and intellectual property rights of OFAAL, reaffirming our position as a trusted institution within the Fine Arts community. This victory, along with previous legal successes, underscores our commitment to upholding our organization's integrity.

#### **Community Engagement and Expansion**

OFAAL's trustees, led by Mrs. Anne Primini Vimaladasa, have actively engaged with the community, participating in various events and contributing to the promotion of Fine Arts. The organization has expanded its offerings, introduced Kuchipudi dance, and registered numerous Fine Arts teachers and examiners, ensuring the continuous growth and recognition of OFAAL in the UK, Europe, and beyond.

#### **Adapting to Challenges**

The COVID-19 pandemic presented unprecedented challenges, requiring us to adapt swiftly. Trustees made brave decisions to safeguard stakeholders, transitioning to online platforms for OFAAL Tamil school, examinations, and other activities.

#### **Expanding Offerings and Cultural Preservation**

OFAAL remains dedicated to fostering South Asian cultural heritage through teaching and examinations in various musical instruments and classical dance forms. The introduction of Kuchipudi dance, spearheaded by OFAAL trustee Mrs. Anne Primini Vimaladasa and Head of Instruments Mrs. Thusyanthy Thiyagarah, exemplifies our commitment to inclusivity. Over two years of meticulous planning ensured the syllabus's equivalent standard to our existing offerings. The inclusion of Kuchipudi has not only attracted a wider South Asian audience but has seen a rise in non-Tamil speaking candidates, with many achieving high grades in 2022.

#### **Community Engagement and Graduates as Ambassadors**

We take pride in being a cultural cornerstone for the South Asian community in West London. OFAAL Tamil and Advanced Fine Arts School, managed by our Head Master and Deputy Head Teacher, has become a centre of excellence. Our Fine Arts teachers, renowned in the UK and Europe, contribute significantly to cultural programs, competitions, and are sought-after judges and speakers at prestigious events. OFAAL graduates are now actively participating, volunteering, and serving as ambassadors for the charity.

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2022*

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### **Adapting to the Pandemic**

The global pandemic posed unprecedented challenges, compelling OFAAL trustees to make bold decisions to safeguard our community. All face-to-face activities, including our Tamil school and examinations, were temporarily halted. Administrative staff transitioned to remote work, and OFAAL school activities were moved to Zoom. The introduction of Zoom-based examinations proved to be a success, enabling us to continue our mission amidst restrictions.

### **Impact on Annual Activities**

Unfortunately, several annual activities integral to our cultural calendar were affected by the pandemic. Events such as the Navarathiri Festival, Christmas Function, Thiyagaraja Utsavam, Harvest Festival (Thai Pongal), Elocution Competition, School Sports Week, and the School Annual Prize Day had to be cancelled or modified to comply with COVID-19 guidelines.

### **Syllabus Book Initiative and Continued Innovation**

Over the past three years, our Hon Vice Chairman initiated the publication of detailed syllabus books for each subject. This initiative, requiring significant time and effort, received positive feedback, benefiting teachers, students, and community schools. The lockdown period was utilized for a comprehensive review of examination processes and materials, expanding syllabi for ease of teaching and learning.

### **Achievements and performance**

#### **Further Milestone Achievements during 2022**

In 2022, OFAAL collaboration with RSL (Rock School), extended to the approval of more Fine Arts subjects and their syllabuses by RSL and OFQUAL. The OFAAL trustees are excited to announce that candidates taking grade 3 to 8 OFAAL examinations now receive OFQUAL accredited certificates. Starting from September 2021 examinations onward, grades 6 to 8 also earn UCAS points. This partnership with RSL positions OFAAL advantageously in the market, and we have already seen hundreds of students benefiting from obtaining UCAS points through OFAAL International Fine Arts Examinations. We are actively promoting these offerings through our Instagram page, which has garnered a significant following.

### **Public Benefits and Graduation Ceremonies**

OFAAL is continually expanding its offerings and public benefits. We now offer additional Fine Arts subjects and conduct graduation ceremonies for those who have completed teachers' grades and Post-Diploma Levels. Graduation ceremonies, held in a style akin to reputable universities in the United Kingdom, have been immensely successful. Thousands of attendees, including parents, music teachers, and distinguished guests, witnessed these events. Conducting graduation ceremonies is a significant undertaking, consuming considerable time and energy, but it is a testament to our commitment to recognizing and honoring our students.

### **Global Graduation Events**

OFAAL's graduation ceremonies have reached international heights, with events in the UK, Norway, Germany, and France. The eighth graduation ceremony in February 2022 at the Watersmeet Theatre in Rickmansworth was particularly grand, attended by more than nine hundred people. Due to the overwhelming number of students participating, the ceremony had to be split into two sessions—afternoon and evening—to accommodate all candidates.

### **Examination Growth**

The number of students taking Fine Arts examinations continues to grow each year, showcasing the increasing impact and relevance of OFAAL in the community. The trustees are overwhelmed by this growth and are gratified to see their non-remunerated efforts bearing fruit.

## **ORIENTAL FINE ARTS ACADEMY OF LONDON**

### **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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#### **Tamil Language Achievements**

Around twenty Tamil language-speaking children from OFAAL participated in the GCSE Tamil examination conducted by Cambridge University in 2022, with almost all of them achieving high grades. The dedicated and highly trained Tamil language teachers at OFAAL Tamil and Fine Arts School deserve credit for this success. The achievements in University entrance and GCSE Tamil language exams have led to a rising enrolment of students at OFAAL Tamil and Fine Arts School.

#### **Post Diploma Graduates**

OFAAL celebrates students who go beyond grade 8 or diploma, obtaining the prestigious titles of "Sangeetha Kala Ratnam" for Vocal & Instrument, "Natiya Kala Ratnam" for Bharathanatyam (Dance), and "Miruthanga Kala Ratnam" for Miruthangam (Percussion Instrument). These post-diploma graduates represent the future generation of teachers dedicated to preserving and advancing ancient fine arts.

As we reflect on these achievements, I extend my deepest gratitude to our trustees, dedicated teachers, committed students, and the entire OFAAL community. Your collective efforts contribute to the continued success and growth of OFAAL, making it a beacon of Fine Arts education and cultural preservation.

#### **Fundraising Activities**

The fund-raising activities comprises the followings:

1. Independent OFAAL Examination – The examination comprises 9 grades, namely from Grade 1 to Grade 8 (Diploma) and Post-Diploma. Each grade is charged at a different price, the higher the grade, the higher the price. However, these prices are charged at a very nominal fee. OFAAL generates most of its income from examination fee.
2. Graduation Ceremony – The participating students are charged a nominal fee to take part in the graduation ceremony.
3. OFAAL Tamil & Fine Arts School – The students pay a nominal fee for each subject they enrol.
4. General Public – OFAAL does carry out any fund raising activity with a view to collect from the general public.

#### **Volunteers**

The volunteers are heart of OFAAL's operations. They are mainly the parents, Tamil language teachers, and Fine Arts Teachers from OFAAL Tamil and Fine Arts school, or active young independent Fine Arts teachers. The volunteers are either paid a nominal fee or no payment at all.

#### **Financial review**

The results for the year are shown in the financial statements. The statement of the financial activities shows the incoming resources and the resources expended by the different activities concluded by the charity. In order to provide a better understanding of the activities undertaken, a summary of the activities is included.

The charity has achieved a net surplus for the year of £23,539 (2021:£29,256), Total income fund balances of £661,120 (2021: £637,581) will be carried forward to the next accounting period.

#### **Reserves Policy**

The trustees consider that the charity's reserves are adequate to meet its day to day expenditure and in the event of a shortfall they have access to sufficient resources to meet any deficit. For this reason, the Trustees do not believe a minimum level of reserve should be maintained.

The assets of the charity are held in the names of the holding Trustees. The constitution authorises the trustees to make capital investments in furtherance of the Charity's objectives.

#### **Risk Management**

The Trustees recognise that effective risk management is essential in achieving the Charity's objectives. Risk management is considered as an integral element of all decision making and identifying appropriate procedures to ensure that risk levels are acceptable in each case. The Trustees believe that it is important to develop and enhance the approach in risk management to ensure it remains fit for the purpose. The Charity will formalise the risk management and create a risk register which will be reviewed on a regular basis.

Since the Charity operates in the mainland Europe, it receives fair amount of Euro money as students' fee income. However, almost all the operational expenses are incurred and paid out in Sterling Pounds. Therefore, the excess Euro money is left is exposed for currency gain or loss.

During 2021, due to the reduction of European candidates, there is not much exposure to exchange rates.

## **ORIENTAL FINE ARTS ACADEMY OF LONDON**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **Plans for future periods**

###### **Looking Forward**

As we emerge from these challenging times, OFAAL trustees believe that the successful adaptation to online platforms, including examinations, opens new possibilities. We envision expanding our market territories globally, reaching audiences in Australia, Canada, the USA, Malaysia, Singapore, India, Sri Lanka, and some Middle-East countries.

We appreciate the members ongoing support and understanding during these unprecedented times. The dedication of our community, teachers, volunteers, and trustees remains the driving force behind OFAAL's resilience.

##### **Cultural and Educational Contributions**

OFAAL remains committed to preserving and promoting South Asian culture among the younger generation born and growing up in the UK, Europe, and Scandinavia. The organisation's initiatives, such as the Thirukural Competition, demonstrate our dedication to imparting cultural and moral values to students.

In conclusion, despite the challenges faced, OFAAL has emerged resilient and successful in fulfilling its mission. The dedication of our trustees, teachers, members and volunteers has been instrumental in our achievements. As we look forward to the coming year, we remain committed to providing high-quality Fine Arts education, promoting cultural values, and contributing to the well-being of the community.

##### **Structure, governance and management**

The Charity is an unincorporated charity formed under a constitution under a deed dated 5th May 2004, which was adopted on 9th December 2000 and as amended on 28th February 2004, 21st October 2011, and 10th November 2012. It has been registered with the Charity Commission under reference 1103602.

The Trustees who served during the year were:

Mr S Suresh – Hon. Chairman, and a Permanent Trustee

Mr P Navendren – Hon. Secretary and a Permanent Trustee

Mr R Sritharan – Hon. Treasurer and a Permanent Trustee

(Deceased 27 December 2023)

Mr S Selvendran – Hon. Vice Chairman and a Permanent Trustee

Mr P Niranjani – Hon. Asst. Secretary & Permanent Trustee

Mr S Dawood – Hon. Asst. Treasurer

Mr. M.T. Selvarajah – Trustee and Head Teacher

Mrs Anne Priminie Vimaladasa – Trustee and Deputy Head Teacher

The board of Trustees is made up of five permanent Trustees and four elected Trustees. The elected four trustees shall serve for a period of three years, provided the election of the membership have been met during the period.

The four trustees shall be elected during the AGM or by secret ballot amongst the general membership for a term of three years. The election will be held for every three years.

Election of permanent Trustees: All new permanent Trustees will be elected by the existing Trustees. If more than one name is recommended, the majority decision of the Trustees who are attending the meeting will determine the newly elected permanent trustee. Each Trustee is entitled to one vote, but in the event of a tie, the person chairing the meeting shall have a second or casting vote. However, a Trustee may not vote on any issue that directly affects him or her. The Charity Commission will be informed of this Change and an up to date list of all Trustees will be sent to the Charity Commission.

##### **Relationship with Other Charity**

The Trust does not have any direct or indirect relationship with any other Charity operating in the UK or other parts of the world.

##### **Trustees' Remuneration**

All the trustees are highly professionally qualified, yet they do offer their service on a voluntary basis (no remuneration), except Mr MT Selvarajah & Mrs A Priminie Vimaladasa are paid nominal fee to act as the Head Master and Deputy Head Teacher respectively of OFAAL Tamil and Fine Arts school. Mrs A Priminie Vimaladasa also paid a nominal fee when she acts as an examiner or corrects examination answer script.

## ORIENTAL FINE ARTS ACADEMY OF LONDON

### TRUSTEES' REPORT (CONTINUED)

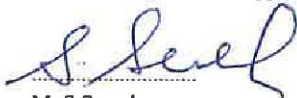
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### Trustees Loans & Donations

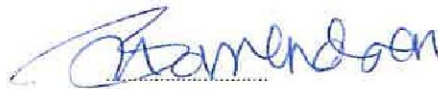
During the fiscal year Trustees did not make any loan or donation to the Charity, and the Charity did not make any loan or donation to any of the Trustees.

The trustees' report was approved by the Board of Trustees.



Mr S Suresh

Date: 4/2/2024



Mr P Navendran

Date: 04/02/2024



## **ORIENTAL FINE ARTS ACADEMY OF LONDON**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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

The law applicable to charities in England and Wales 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 OFAAL and of the incoming resources and application of resources of the OFAAL for that year.

In preparing these 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the OFAAL and 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 trust deed. They are also responsible for safeguarding the assets of the OFAAL and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF ORIENTAL FINE ARTS ACADEMY OF LONDON

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#### Opinion

We have audited the financial statements of Oriental Fine Arts Academy of London (the 'OFAAL') for the year ended 31 December 2022 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements, including 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 31 December 2022 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 OFAAL 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the OFAAL's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## ORIENTAL FINE ARTS ACADEMY OF LONDON

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE TRUSTEES OF ORIENTAL FINE ARTS ACADEMY OF LONDON

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##### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the OFAAL'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 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

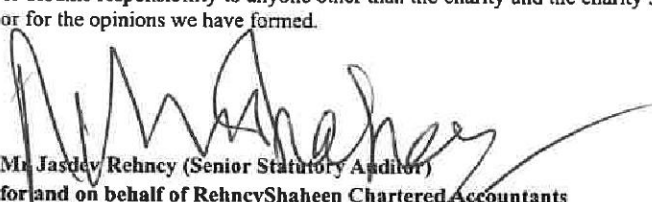
##### Other matters

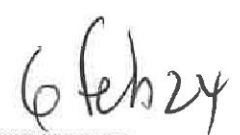
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

##### 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.

  
Mr. Jasdev Rehncy (Senior Statutory Auditor)  
for and on behalf of RehncyShaheen Chartered Accountants

  
6 Feb 24

1276/1278 Greenford Road  
Greenford  
Middlesex  
UB6 0HH

RehncyShaheen Chartered Accountants is eligible for appointment as auditor of the OFAAL by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<b><u>Income from:</u></b>			
Charitable activities	4	274,919	288,354
Investments	3	35	-
<b>Total income</b>		<u>274,954</u>	<u>288,354</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	<u>259,698</u>	<u>247,526</u>
<b>Net income for the year/ Net incoming resources</b>		15,256	40,828
<b>Other recognised gains and losses</b>			
Other gains or losses	11	<u>8,283</u>	<u>(11,572)</u>
<b>Net movement in funds</b>		23,539	29,256
Fund balances at 1 January 2022		<u>637,581</u>	<u>608,325</u>
<b>Fund balances at 31 December 2022</b>		<u><u>661,120</u></u>	<u><u>637,581</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# ORIENTAL FINE ARTS ACADEMY OF LONDON

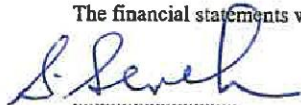
## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

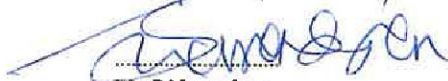
	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Intangible assets	10		2,892		4,338
Tangible assets	12		522,912		494,339
			525,804		498,677
<b>Current assets</b>					
Debtors	13	2,921		7,395	
Cash at bank and in hand		158,241		224,725	
		161,162		232,120	
<b>Creditors: amounts falling due within one year</b>	14	(25,846)		(93,216)	
Net current assets			135,316		138,904
<b>Total assets less current liabilities</b>			661,120		637,581
<b>Income funds</b>					
Unrestricted funds			661,120		637,581
			661,120		637,581

The financial statements were approved by the Trustees on

01/02/2024



Mr S Suresh  
Trustee



Mr P Navendran  
Trustee

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Charity information**

Oriental Fine Arts Academy of London is a charity established in the UK. The principal address is 183 Burnt Oak Broadway, Edgware, HA8 5EH.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the OFAAL's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The OFAAL is a Public Benefit Entity as defined by FRS 102.

The OFAAL has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the OFAAL. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the OFAAL has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the OFAAL.

#### **1.4 Income**

Income is recognised when the OFAAL is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the OFAAL has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the OFAAL has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity and are allocated to the respective activities. Support costs are apportioned between charitable activities in proportion to the charitable income received.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website cost	Over 5 years
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#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Nil
Fixtures and fittings	25% reducing balance
IT Equipments	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the OFAAL reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The OFAAL has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the OFAAL's balance sheet when the OFAAL becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the OFAAL's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the OFAAL is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the OFAAL's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



**ORIENTAL FINE ARTS ACADEMY OF LONDON**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

**3 Investments**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2022 £</b>	<b>2021 £</b>
Interest receivable	35	-

**4 Charitable activities**

	<b>2022 £</b>	<b>2021 £</b>
Services provided to students	243,408	268,117
Income from Tamil School	31,511	20,237
	<u>274,919</u>	<u>288,354</u>

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 5 Charitable activities

	Expenditure on charitable activities 2022 £	Expenditure on charitable activities 2021 £
Examination costs	64,113	42,649
Teachers' and examiners' expenses	71,776	98,632
Volunteers expenses	7,819	8,648
Venue hire	37,241	21,639
Tamil school books	3,120	1,766
Special training- fine arts teaching	-	2,731
Tamil school travel & subsistence	6,667	1,070
Graduate expenses	11,259	-
Sundry expenses	1,000	-
	<u>202,995</u>	<u>177,135</u>
Share of support costs (see note 6)	60,037	29,853
Share of governance costs (see note 6)	(3,334)	40,538
	<u>259,698</u>	<u>247,526</u>

The charity makes use of volunteers as and when required to assist with the provision of examinations. Volunteers are either paid a nominal fee or no payment at all. Expenses paid to volunteers have been included within charitable activities. A reliable estimate of the cost of the time and effort donated by the volunteers in the furtherance of the charity's objectives is not possible to quantify.

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	28,669	-	28,669	5,222	5,222
Depreciation	1,835	-	1,835	1,779	1,779
Bank charges	3,371	-	3,371	2,577	2,577
Office costs	7,079	-	7,079	6,786	6,786
Function costs	4,934	-	4,934	613	613
Website costs	7,309	-	7,309	6,449	6,449
Premises costs	5,211	-	5,211	5,565	5,565
Sundry expenses	1,629	-	1,629	862	862
Audit fees	-	3,600	3,600	-	3,600
Legal and professional	-	(6,934)	(6,934)	-	36,938
	<u>60,037</u>	<u>(3,334)</u>	<u>56,703</u>	<u>29,853</u>	<u>40,538</u>
Analysed between					
Charitable activities	<u>60,037</u>	<u>(3,334)</u>	<u>56,703</u>	<u>29,853</u>	<u>40,538</u>

### 7 Trustees

During the year two of the Trustees were paid remuneration for teaching and examination paper setting and correction as follows:

MT Selvarajah remuneration as Head Teacher £1,200(2021-£1,300)

Mrs Anne Vimaladasa remuneration as Asst. Head Teacher £1304.20 (2021-£1,300)

Other payments to trustees during the year totalled £4,183.20(2021 -£1,870) these payments related to reimbursements and allowances for the performances of charitable activities as follows:

S Dawood £480 (2021 - £420) - Deputy Asst. Head

A Vimaladasa- £810 (2021 -£830) Syllabus Review and paper setting  
£2,893 (2021 -£620) Examiner allowance

### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Employees	<u>32</u>	<u>43</u>

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	28,178	4,752
Other pension costs	491	470
	<u>28,669</u>	<u>5,222</u>

There were no employees whose annual remuneration was more than £60,000.

### 9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 10 Intangible fixed assets

	Website cost £
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	<u>7,230</u>
<b>Amortisation and impairment</b>	
At 1 January 2022	2,892
Amortisation charged for the year	<u>1,446</u>
At 31 December 2022	<u>4,338</u>
<b>Carrying amount</b>	
At 31 December 2022	<u>2,892</u>
At 31 December 2021	<u>4,338</u>

### 11 Other gains or losses

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Foreign exchange (gains)/losses	<u>(8,283)</u>	<u>11,572</u>

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	IT Equipments	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2022	493,339	2,200	2,617	498,156
Additions	28,404	-	558	28,962
At 31 December 2022	521,743	2,200	3,175	527,118
<b>Depreciation and impairment</b>				
At 1 January 2022	-	1,272	2,545	3,817
Depreciation charged in the year	-	232	157	389
At 31 December 2022	-	1,504	2,702	4,206
<b>Carrying amount</b>				
At 31 December 2022	521,743	696	473	522,912
At 31 December 2021	493,339	928	72	494,339

\* The current market value of the property is £650,000 as per the valuation done by directors.

### 13 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	2,921	7,395

### 14 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Other taxation and social security		925	1,514
Deferred income	15	-	4,000
Other creditors		(88)	396
Accruals and deferred income		25,009	87,306
		25,846	93,216

### 15 Deferred income

	2022	2021
	£	£
Other deferred income	-	4,000

# ORIENTAL FINE ARTS ACADEMY OF LONDON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 15 Deferred income

(Continued)

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	-	4,000
	<u>          </u>	<u>          </u>
Movements in the year:		
Deferred income at 1 January 2022	4,000	61,886
Released from previous periods	(4,000)	(61,886)
Resources deferred in the year	-	4,000
	<u>          </u>	<u>          </u>
Deferred income at 31 December 2022	-	4,000
	<u>          </u>	<u>          </u>

### 16 Related party transactions

There were no disclosable related party transactions during the year other than those mentioned in note 7 (2021 - none).