
THE HOUSE OF FAIRY TALES
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE HOUSE OF FAIRY TALES
(A Company Limited by Guarantee)

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THE HOUSE OF FAIRY TALES
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees G J Turk
 J Dembo
 S Hopper
 R Wadhams
 S Ginda (appointed 25 March 2021)
 J C Ward (appointed 25 March 2021)
 V Havell (appointed 25 March 2021)

**Company registered
number** 06604482

**Charity registered
number** 1140334

Registered office 28 Bidder Street
 London
 E16 4ST

Chief executive officer G J Turk

Independent examiner Charlotte Harris
 c/o Harris & Trotter LLP
 64 New Cavendish Street
 London
 W1G 8TB

Bankers Coutts & Co
 44 The Strand
 London
 WC2R 0QS

Solicitors JMW Solicitors
 Byrom Place
 1 Byrom Street
 Manchester
 M3 3HG

THE HOUSE OF FAIRY TALES
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the financial statements of the Company for the 1 January 2020 to 31 December 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

The objective of the charity is to advance the education of children, teenagers and adults in England and Wales by delivering cross-curricular learning programmes and activities and by producing, exploring and/or commissioning innovative ways of teaching children, teenagers and adults (including through play and different art forms). The House of Fairy Tales works with artists and creatives to inspire learning, ethical citizenship and creativity in children across a number of platforms including theatrical events, exhibitions, schools workshops, publishing and advocacy.

Achievements and performance

During the year under review, the Charity's income was £25,710 (2020: £69,845). The trustees are grateful to all donors for their contributions received during the year and their continued support in the future.

Financial review

During the year under review, the Charity's income was £25,710 (2019: £69,845).

The total expenditure on Educational Projects during the year was £39,112 (2019: £48,085).

The Charity's cash reserves at the balance sheet date were £2,794 (2019: £12,999).

Going concern

In accordance with the Memorandum and Articles of Association the trustees have the power to invest in such assets as they see fit. The Foundation has a policy of keeping surplus liquid funds in short term deposits. This low risk investment policy provides the flexibility in making charitable grants and ensures the Foundation had adequate funds to meet ongoing grant commitments and administration costs in accordance with its reserves policy.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

THE HOUSE OF FAIRY TALES
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves policy

The Trustees have adopted a policy that, where possible, a general fund cash reserve will be maintained. Cash reserves for this year amounts to £2,794, which adequately covers the Charity's reserves policy criteria and provides a cushion for seasonal cash flow fluctuations that impact the organisation from time to time commitments.

The level of reserves is considered appropriate given the nature of the income. It will allow continued financial support to organisations in the short term and this will allow other forms of fund-raising to be considered.

Structure, governance and management

Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum and Articles of Association on the 28th May 2008.

The charity is constituted under a Trust deed dated 28 May 2008 and is a registered charity number 1140334

The principal object of the company is to inspire a love of learning and creativity in children, acting as a catalyst to transform individuals, communities and institutions.

The Trustees' committee, who are also directors for the purposes of company law, and who served during the year were:

G J Turk
J Dembo
S Hopper
R Wadhams

The Trustee's committee who are not directors for the purpose of company law are:

S Ginda (appointed 25 March 2021)
J C Ward (appointed 25 March 2021)
V Havell (appointed 25 March 2021)

None of the Trustees' committee has any beneficial interest in the company. All of the Trustees' committee are members of the company and guarantee to contribute £1 in the event of a winding up.

The management of the company is the responsibility of the Trustees' committee who are elected and co-opted under the terms of the Articles of Association.

Existing trustees brief new trustees on the charity's aim and objectives. They are given a copy of the Memorandum and Articles of Association along with the latest financial statements. They are also given literature about the charity and directed towards the charity's website. They are also sent a copy of the charity commission's guidelines for Trustees which will help them to fulfil their role in line with charity and company law.

The company has no political or religious affiliations.

Financial risk management

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

COVID-19

The charity is continuing to monitor developments of the COVID-19 virus and the associated near-term uncertainty on the global economic outlook. The charity is assessing the potential future operational and financial impact of the coronavirus and is seeking to take mitigating actions, such as a reduction on all non-essential operating expenditure, utilisation of government aid where required and negotiating terms with suppliers. Management continue to monitor the situation and has further plans that can be implemented as they assess the COVID-19 impact.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Approved by order of the members of the board of Trustees on 22 September 2021 and signed on their behalf by:


G J Turk
Trustee

**THE HOUSE OF FAIRY TALES
(A Company Limited by Guarantee)**

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Independent Examiner's Report to the Trustees of The House of Fairy Tales ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Chris Fowler ACA

c/o Harris & Trotter LLP
64 New Cavendish Street
London
W1G 8TB
Dated: 22 September 2021

THE HOUSE OF FAIRY TALES
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	3	21,063	21,063	44,845
Charitable activities	4	4,647	4,647	25,000
		<u>25,710</u>	<u>25,710</u>	<u>69,845</u>
Total income				
Expenditure on:				
Charitable activities:				
Educational projects	5	39,112	39,112	48,085
Other charitable activities		3,794	3,794	3,770
		<u>42,906</u>	<u>42,906</u>	<u>51,855</u>
Total expenditure				
		<u>(17,196)</u>	<u>(17,196)</u>	<u>17,990</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		48,605	48,605	30,615
Net movement in funds		(17,196)	(17,196)	17,990
		<u>31,409</u>	<u>31,409</u>	<u>48,605</u>
Total funds carried forward				

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 9 to 16 form part of these financial statements.

THE HOUSE OF FAIRY TALES
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06604482

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	8	1,261	1,682
		<u>1,261</u>	<u>1,682</u>
Current assets			
Stocks	9	37,311	35,953
Debtors	10	2,202	3,132
Cash at bank and in hand		2,794	12,999
		<u>42,307</u>	<u>52,084</u>
Creditors: amounts falling due within one year	11	(12,159)	(5,161)
Net current assets		<u>30,148</u>	<u>46,923</u>
Total assets less current liabilities		<u>31,409</u>	<u>48,605</u>
Net assets excluding pension asset		<u>31,409</u>	<u>48,605</u>
Total net assets		<u><u>31,409</u></u>	<u><u>48,605</u></u>
Charity funds			
Unrestricted funds	12	31,409	48,605
Total funds		<u><u>31,409</u></u>	<u><u>48,605</u></u>

THE HOUSE OF FAIRY TALES
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06604482

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 22 September 2021 and signed on their behalf by:



G J Turk

The notes on pages 9 to 16 form part of these financial statements.

THE HOUSE OF FAIRY TALES
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The House of Fairy Tales is a private charitable company, limited by guarantee, incorporated in England and Wales. Company registered number: 06604482. Charity number 1140334.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The House of Fairy Tales meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2.3 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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

THE HOUSE OF FAIRY TALES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Fixtures and fittings	- 25% reducing balance
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2.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.6 Debtors

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

2.7 Cash at bank and in hand

Cash at bank and 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.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

THE HOUSE OF FAIRY TALES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.9 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Income from donations and legacies

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	-	21,063	21,063	44,845
<i>Total 2019</i>	9,274	35,571	44,845	

THE HOUSE OF FAIRY TALES
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Educational project income	1,000	1,000	-
Other income	3,647	3,647	25,000
	<u>4,647</u>	<u>4,647</u>	<u>25,000</u>
<i>Total 2019</i>	<u>25,000</u>	<u>25,000</u>	

5. Analysis of grants

	Grants to Individuals 2020 £	Total funds 2020 £	Total funds 2019 £
Expenditure on educational projects	39,112	39,112	48,085
	<u>48,085</u>	<u>48,085</u>	
<i>Total 2019</i>	<u>48,085</u>	<u>48,085</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Unrestricte d funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Expenditure on governance	-	3,794	3,794	3,770
Expenditure on educational projects	-	39,112	39,112	48,085
	<u>-</u>	<u>42,906</u>	<u>42,906</u>	<u>51,855</u>
<i>Total 2019</i>	<u><u>9,274</u></u>	<u><u>42,581</u></u>	<u><u>51,855</u></u>	

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

THE HOUSE OF FAIRY TALES
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 January 2020	15,833
At 31 December 2020	<u>15,833</u>
Depreciation	
At 1 January 2020	14,151
Charge for the year	420
At 31 December 2020	<u>14,571</u>
Net book value	
At 31 December 2020	<u><u>1,262</u></u>
At 31 December 2019	<u><u>1,682</u></u>

9. Stocks

	2020 £	2019 £
Finished goods and goods for resale	<u><u>37,311</u></u>	<u><u>35,953</u></u>

10. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	-	293
Other debtors	<u>2,202</u>	<u>2,839</u>
	<u><u>2,202</u></u>	<u><u>3,132</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	2,666	270
Other taxation and social security	7,405	2,890
Other creditors	87	-
Accruals and deferred income	2,001	2,001
	<u>12,159</u>	<u>5,161</u>

12. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Unrestricted funds				
General Funds - all funds	<u>48,605</u>	<u>25,710</u>	<u>(42,906)</u>	<u>31,409</u>

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
Unrestricted funds				
General Funds	<u>30,615</u>	<u>60,571</u>	<u>(42,581)</u>	<u>48,605</u>
Restricted Funds				
	<u>-</u>	<u>9,274</u>	<u>(9,274)</u>	<u>-</u>
Total of funds	<u>30,615</u>	<u>9,274</u>	<u>(51,855)</u>	<u>48,605</u>

THE HOUSE OF FAIRY TALES
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,261	1,261
Current assets	42,307	42,307
Creditors due within one year	(12,159)	(12,159)
Total	31,409	31,409

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	1,682	1,682
Current assets	52,084	52,084
Creditors due within one year	(5,161)	(5,161)
Total	48,605	48,605

14. Related party transactions

During the year the charity received donations of £9,400 (2019: £10,002) from Live Stock Market Limited, a company of which one of the trustee is a director and shareholder.

During the year the charity received donations of £1,500 (2019: £nil) from Gavin Turk, a trustee of the charity