



Listening to Improve Young Lives

Charity No: 1186434

**Trustees' Annual Report and Unaudited
Financial Statements**
for the period 19 November 2019 to
30 November 2020

1. Reference & Administration Details

1.1 Charity Details:

Name: The Purple Elephant Project

Registration Number: 1186434

Address: The School House, Chase Bridge Primary School, Kneller Road, Twickenham, Middlesex, TW11 9JG

1.2 Names of the Charity Trustees who Manage the Charity

Name	Office	Appointed
Wesley Cuell	Trustee, Chair	28.08.19
Alan Knowles	Trustee, Treasurer	28.08.19
Catherine Bridger	Trustee, Safeguarding	28.08.19
Sue Thompson	Trustee	11.11.19

1.3 Names & Addresses of Advisers

Role	Name	Address
Bank	Metrobank	64-66 Clarence Street, Kingston, KT1 1NP
Independent Examiner	Frances Wilde FCCA DChA	Warner Wilde, 4 Marigold Drive, Bisley, Surrey, GU24 9SF

1.4 Names of Senior Consultants with Delegated Responsibilities

Name	Role
Jenny Haylock	Chief Executive
Coleen Norman	Chief Operations Officer

THE PURPLE ELEPHANT PROJECT

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The Purple Elephant Project

Trustee Report

For period ending 30th November 2020



The Trustees for The Purple Elephant Project present their first report and examined accounts for the period 19th November 2019, the date of the Charity's registration with the Charity Commission, to 30th November 2020, and confirm they comply with the requirements of the Charities Act 2011, The Purple Elephant Project's Governing Document, and the Charities SORP (FRS 102).

2. Structure, Governance & Management

The Purple Elephant Project is a Charitable Incorporated Organisation, (herein referred to as CIO or the Charity) registration No: 1186434, registered with the Charity Commission on 19 November 2019. The constitution is based on the Charity Commission's model governing document for Foundation Charitable Incorporated Organisations, i.e. where the Trustees are the only Members of the Charity.

2.1 Charitable Objective:

The Charity's objective is as follows:

For the public benefit to preserve and protect good health among children and young people aged 0-16 resident in the Greater London area who have been affected by traumatic life experiences, attachment or developmental trauma, in particular but not exclusively, by providing subsidised Play Therapy and other therapeutic services, emotional support and training to parents, carers and school staff.

2.2 Trustee Selection:

The constitution requires there must be at least 3 Charity Trustees. If the number falls below this minimum, the remaining Trustee or Trustees may act only to call a meeting of the Charity Trustees, or appoint a new Charity Trustee. There is no maximum number of Charity Trustees that may be appointed to the CIO although due regard will be given to the guidance provided in the Charity Governance Code issued by the Charity Commission. In accordance with the constitution, Trustees are appointed or re-appointed by a resolution passed at a properly convened meeting of the Charity Trustees.

In selecting individuals for appointment as Charity Trustees, due consideration is given to ensuring that the Trustees must have, between them, the skills, knowledge and experience needed for the effective administration and management of the CIO in accordance with charity law.

3. Activities

3.1 Statutory Declaration on Public Benefit

The Trustees declare that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties and deciding what activities the CIO should undertake.

3.2 Executive Summary

3.2.1 A review of our first period of activities:

The Purple Elephant Project is located in Twickenham, West London, based in an ex-caretaker's property in the grounds of a primary school.

As described in its objectives, the Charity delivers public benefit by preserving and protecting good health among children and young people aged 0-16 resident in the Greater London area who have been affected by traumatic life experiences, attachment or developmental trauma.

The Charity currently delivers predominantly Play Therapy services, which includes individual child sessions, emotional support and training to parents, carers and school staff.



Play therapy is a form of child psychotherapy which provides a way for children to express their thoughts and emotions through the medium of play rather than talking. For a child, the toys become their words, and play therapists work to help children explore their feelings and process their experiences through their play. This means children can express their emotions without the need for words and within the metaphor of play, which for many children can feel safer when tackling the more complex and painful problems they may be experiencing.

Our Play Therapists offer the child an extensive range of materials to work with from toys, paints and clay, puppets, dressing up clothes, sensory materials and action figures. Working from an attachment-based, theoretical perspective the child is provided with a psychologically safe space to work through their issues and life experiences, which can help them to make significant changes in their lives.

The Purple Elephant Project

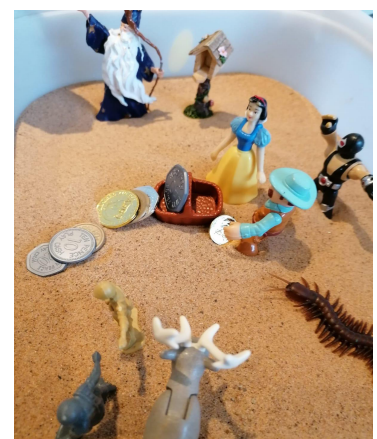
Trustee Report

For period ending 30th November 2020



We are delivering an innovative model through The Purple Elephant Project and offer our services through both outreach and from our centre.

Through our services children have a chance to access vital therapeutic support to process their difficult life experiences and any traumatic events they have had, which can lead to better emotional health and wellbeing, and improved sense of self and identity.



Personal benefits to children receiving Play Therapy can include restored and deepened relationships, increased self-confidence and self-esteem, reduction in fear and anxiety, resolution of traumas, increased concentration, improved behaviours, and reduction in aggressive behaviours. By overcoming emotional difficulties, and reducing anxiety levels, children are better able to focus and concentrate in school, leading to increased engagement, better academic outcomes, improved self-esteem and an increase in self-confidence.

The Purple Elephant Project

Trustee Report

For period ending 30th November 2020



It has been a busy and challenging first period, with the Covid-19 pandemic having a significant impact on our activities, as will be discussed below, but we have been pleased to overcome many hurdles and consistently provided vital therapeutic support for many families in need in our community.

January 2020 saw the **opening of our centre**, following a successful crowd-funding campaign, raising £3,047.76 towards set-up costs. Using every penny as wisely as possible, we transformed the centre into a homely space, where families could feel safe, nurtured and welcomed as we offered support.

One of our values at The Purple Elephant Project is to ensure that we make time and listen to children and families. We take a holistic approach to supporting our families and believe passionately that by looking after and nurturing parents/carers, many of whom have not had positive, parenting experiences themselves; our interventions will have a greater impact on the children we support and will enable them to thrive and reach their full potential.

This has been a fundamental part of our work this year, and parents/carers have benefitted from the additional support we have offered them, while waiting for their child. Designed with our clients in mind, our rooms are warm and welcoming spaces, which appeal to some of the harder to reach families who may have previously been put off by more clinical, statutory services and environments.

Our **fully equipped Play Therapy room** includes a sensory space and dark den, vital for children whose emotions overwhelm them, where they can experience feeling safe and contained, a valuable resource for children on the autistic spectrum or those experiencing sensory processing difficulties.



3.2.2 Our response to COVID-19

Sadly in March, following Government guidelines relating to COVID-19, we had to close our centre and suspend all face to face services to ensure we kept our staff and families safe.

However, we used our time effectively and rapidly adapted our services, offering **online video therapeutic sessions** to children, thereby ensuring we continued to support families during this incredibly difficult time.

Following a social media campaign, we received a donation of specially designed **Purple Elephant postcards** and many donations of stamps. This enabled all our therapists to individually write to each child in their care every week, reminding them that we were holding them in mind.

In direct response to this crisis, we also launched a **weekly newsletter**, offering parents/carers guidance and fun activities they could share with their children. This reached many families in the community, countless of whom had been feeling isolated and overwhelmed as a result of the lockdown measures. Our newsletter was also circulated among families from 8 primary schools.

At the Purple Elephant Project our motto is; *"talk to us.....we're all ears!"*. And during this difficult time, we listened to what was needed. We received many reports indicating children were presenting with higher levels of distressed behaviours as a direct result of the pandemic such as sleeping difficulties, regression, acting out/aggression, clinginess, poor concentration, tiredness and heightened emotions; particularly in children of key workers or those being affected by domestic violence. We also heard that schools were experiencing higher levels of calls suggesting that many children and parents were extremely anxious about returning to school; all schools we were working with at that time reported an increase of children in need of therapeutic support.

Following two very successful funding applications with Thriving Communities and City Bridge Trust through The London Community Response Fund, we were able to respond quickly and effectively to this unprecedented situation by designing and launching a **short-term Anxiety and Resilience programme**, specifically addressing children's emotional well-being and mental health, supporting their reactions to the pandemic and their re-entry into school following the lockdown. The programme, delivered to a total of 96 families, was designed to be flexible, suited to both online and face to face delivery, when the easing of restrictions allowed, ensuring children could engage with a therapist for support even during ongoing social distancing measures.

These interventions were incredibly well received as detailed below, and as a result, we are considering further service developments in the coming year, subject to further funding.

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For period ending 30th November 2020



We were pleased to be able to **re-open our centre** again and return to face-to-face interventions at the start of September 2020. Supported by further awards from The Screwfix Foundation, Waitrose Community Fund and Tesco's Bags for Help, we were able to further develop our centre and make the necessary adjustments to ensure we could open safely under strict COVID safety guidelines. An appeal on social media for used toys prompted a tremendous response and we were able to create 24 individualised Play Therapy kits for the children visiting our centre, to avoid cross contamination of shared resources which were harder to clean.

Our Charity has gone from strength to strength this year and despite the challenges that the COVID-19 pandemic has caused, and is continuing to cause, we have exceeded predicted growth projections. We are now supported by a bookkeeper and a part time fundraiser to help facilitate our next steps of development. Our therapists have expanded from an initial team, or herd as they are affectionately termed, of 5 to 9, with predicted growth to 12 in the coming months.

In our first year, we delivered:

- **Over 1600 individual Play Therapy sessions**
- **545 Anxiety and Resilience sessions for 96 families**
- **23 Newsletters**

There has been a significant increase in demand for our services as a result of the strains put on families due to the COVID-19 pandemic. We look forward to continuing to support families over the next year as we develop our plans, increase our output and listen to what our community needs.

3.2.3 Our team

At this early stage of the Charity's growth and development, all work is sub-contracted to specialist therapists and advisers, with significant proportions of gifted in kind time being given by senior consultants. The Charity aims to employ senior staff in the future as it develops further, building up the resources required to sustain a permanently employed team.

Providing a supportive network underpins the values of this Project and this extends to our team too. We recognise that our therapists also need to be supported to avoid general psychological distress, countertransference, burnout, vicarious trauma and compassion fatigue, particularly at the moment while we are all experiencing increased stress and increased workloads as a result of Covid-19. We continually assess impact and consider strategies to limit this by providing regular team meetings and group supervision. In light of the pandemic, we have implemented higher levels of support for our therapists to safeguard both them and the families they are supporting. Staff need time to reflect, recharge and rest and we facilitate this value throughout our organisation so each member of our herd feels supported and valued in their role.

3.2.4 Safeguarding

All aspects of safeguarding have been carefully considered, particularly given the vulnerable families and children we support. In addition to our standard, rigorous safeguarding policy, we have included a Covid-19 addendum. All safeguarding logs are maintained, updated regularly and communicated to our Trustee Lead on safeguarding, where appropriate.

3.2.5 Risk Assessments

Risk assessments are completed regularly for and this has included statements for parents and carers for our face-to-face therapeutic work, both from our centre and with our outreach services in light of the COVID-19 pandemic.

Our therapists follow strict guidelines issued by The British Association of Play Therapists with regards to managing face to face sessions and providing suitable and safe toy kits as explained above. Currently, each therapist has a general kit which can be easily cleaned between sessions, in addition to smaller, individual kits for each child to avoid sharing equipment which is less easy to clean. Other items have been removed completely for now.

4. Evaluations & Performance

The Purple Elephant Project monitors and evaluates feedback from its beneficiaries following the completion of interventions.

Due to the COVID-19 pandemic and suspension of face-to-face activities at times during this year, it has been difficult to obtain all feedback from our interventions. In addition, many interventions are long-term and therefore remain ongoing at the time this report was written. However, our average response rate for return of evaluation forms was 58% and the results are listed as follows.

Evaluations of our Play Therapy interventions:

Play Therapy interventions are measured using The Goodman's Strengths and Difficulties Questionnaire (SDQ) pre and post therapy. This is a brief behavioural screening questionnaire for 3-16 year olds.

- 81% Parents and carers reported a positive change in their child's emotional wellbeing following one of our interventions

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Evaluation of our Anxiety and Resilience Programme:

This programme was measured through surveys and monitor forms completed by children participating in the intervention, parents/carers and school staff.

Child feedback:

- 96% of the children reported feeling positive about the work they had received with many wanting the interventions to continue
- 62% of the children reported that the interventions had been very helpful and 38% stated they had been helpful
- 89% of children reported feeling better in themselves as a result of receiving this support.

Other comments received:

- *"I got a bit sad because of this pandemic and was getting a bit nervous about going back to school. But I feel okay and much better now"*

Parent feedback:

- 87% reported a reduction in their child's anxiety levels
- 79% reported an improvement in their child's overall wellbeing.

Other parent comments received:

- *"@ (child) is are relaxed at home and school and better able to manage his emotions"*
- *"@ (child) is now thriving and coping in small groups in after school (clubs). His confidence is increasing"*
- *"@(child) is very sad it is over. She is saying more each day - I am very happy she had the sessions. She has learnt a lot and it was good for her"*

School referrer feedback:

- 83% of referrers felt the overall experience was excellent and 16% as very good
- 33% reported effectiveness in addressing needs of children as very good and 66% as excellent
- 83% described the therapist provided as excellent and 16% as very good
- 100% of referrers reported they were either likely or very likely to recommend our services

Other comments:

- *"The therapist has been fabulous with the children and their families and has gone over and above to ensure the smooth running of the programme"*
- *"@ (Therapist) is a true gem"*
- *"Feedback from parents and children was extremely positive"*
- *"The programme has been excellent at supporting for our children. @ (therapist) has been flexible with cases and families going over and above to support and offering a listening ear to parents"*

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- *"We've had some parents who just want her to continue each week, as they know how much help it has been to their children"*

Evaluations of our newsletter:

A survey was used to monitor our newsletter through 'survey-monkey'

- 78% of readers found the content either extremely or very enjoyable
- 89% of readers felt the advice was either very helpful or helpful
- 89% of readers tried the recommended activities with their children

We plan to continue to develop our monitoring and evaluation procedures in the coming year.

5. Financial Review

5.1 Reserves Position at 30 November 2020

Given this is the first reporting period of the Charity's activities and a period in which it has had to meet the significant challenges of the Covid-19 pandemic it is not surprising that the Charity's reserves position at 30 November 2020 does not meet the conditions of its Reserves Policy. Unrestricted reserves are £1,790 and Restricted Reserves are £37,415.

The Trustees recognise the importance of this and are committed to building the Charity's unrestricted reserves over the next 12 months, to help create a position whereby:

- a) the financial viability of the Charity can be sustained in the event of unforeseen and/or unavoidable circumstances, and
- b) enable the Charity, in the interests of meeting its objectives, to undertake from time to time the setting up of new and innovative projects on a pilot basis to demonstrate the viability and potential benefits of such activities as a precursor to securing the external funding necessary to maintain such projects on an on-going basis.

Consequently, the Charity will endeavour to generate and maintain unrestricted reserves which are at least 50% of its annual expenditure whilst recognizing that this is likely to take a number of years to achieve.

Notwithstanding the above the Trustees are confident that the Charity's current income stream projections and cash resources are sufficient to meet its expenditure as it falls due. Additionally, the Charity has recently engaged a part-time fund raiser to develop its grant funding and income generation capacity.

5.2 Principal Sources of Income and Expenditure

5.2.1 Income

Principal sources of income have been achieved through a combination of major funding awards and contracted services income through social care, adoption support, schools and private referrals. These fully funded pieces of work are vital for the sustainability of the Charity and any surplus income arising through these contracts contributes towards our overall running costs, allowing us to focus grant awards on intervention delivery.

We would like to thank the following organisations who helped deliver some of the essential services provided by The Purple Elephant Project with their very generous funding:

- Thriving Communities
- City Bridge Trust through The London Community Response Fund
- The National Lottery
- Waitrose Community Fund
- Screwfix Foundation
- Tesco's bags for help

The total value of income and non-cash donated goods and services for this period was £203,324 comprising £69,693 of Restricted Income and £133,631 of Unrestricted Income and non-cash donated goods and services. The Unrestricted Income and non-cash donated goods and services can be further analysed as externally generated income of £80,311 in relation to contracts for sale of services and donations and £53,320 of non-cash donated goods and services comprising gifted in kind time by consultants fulfilling the roles of CEO and COO.

Gift Aid is reclaimed on donations where the donor indicates that is their wish.

5.2.2 Expenditure

Total expenses for this period were £164,119. The Purple Elephant Project's principal expense items during the period were therapists' fees of £84,654 and premises-related expenses of £18,969, both of which are fundamental to the delivery of our services and achieving our objectives.

5.3. Remuneration of Trustees

All Trustees act in a voluntary capacity and receive no remuneration or other material benefits from their services to the Charity.

Out-of-pocket expenses necessarily and reasonably incurred by Trustees in promoting the purposes of the Charity are reimbursed at cost in line with The Purple Elephant Project Expenses Policy.

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5.4 Related Party Transactions

In addition to the donated services referred to in 5.2.1 above the Trustees have recognised the associated set up costs incurred by the founder as a related party transaction which has been disclosed in note 15 to the accounts.

The Trustees have approved the above report and authorise the Chair to sign it on their behalf.

Signature:

A handwritten signature in black ink, appearing to read "Wesley Paul Cullen".

Full name:

WESLEY PAUL CULLEN

Position:

CHAIR OF BOARD OF TRUSTEES

Date:

25th February 2021

THE PURPLE ELEPHANT PROJECT

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE PURPLE ELEPHANT PROJECT

I report to the trustees on my examination of the financial statements of The Purple Elephant Project (the charity) for the period ended 30 November 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.



F J Wilde FCCA MBA DChA

Warner Wilde
4 Marigold Drive
Bisley
Surrey
GU24 9SF

Dated: 27 February 2021

THE PURPLE ELEPHANT PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 30 NOVEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020
<u>Income from:</u>				
Donations and legacies	3	66,333	5,500	71,833
Charitable activities	4	67,298	64,193	131,491
Total income		<u>133,631</u>	<u>69,693</u>	<u>203,324</u>
<u>Expenditure on:</u>				
Raising funds	5	<u>1,526</u>	<u>376</u>	<u>1,902</u>
Charitable activities	6	<u>130,315</u>	<u>31,902</u>	<u>162,217</u>
Total resources expended		<u>131,841</u>	<u>32,278</u>	<u>164,119</u>
Net income for the year/ Net movement in funds		1,790	37,415	39,205
Fund balances at 19 November 2019		-	-	-
Fund balances at 30 November 2020		<u><u>1,790</u></u>	<u><u>37,415</u></u>	<u><u>39,205</u></u>

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

All income and expenditure derive from continuing activities.


THE PURPLE ELEPHANT PROJECT

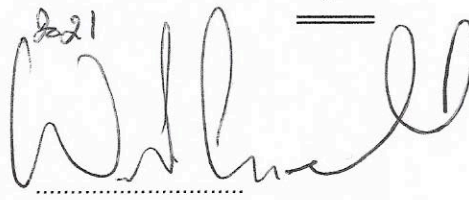
BALANCE SHEET

AS AT 30 NOVEMBER 2020

	Notes	2020 £	£
Fixed assets			
Tangible assets	10		2,476
Current assets			
Debtors	11	21,685	
Cash at bank and in hand		51,515	
		<u>73,200</u>	
Creditors: amounts falling due within one year	12	(36,471)	
		<u></u>	
Net current assets			36,729
Total assets less current liabilities			<u>39,205</u>
Income funds			
Restricted funds	13		37,415
Unrestricted funds			1,790
			<u>39,205</u>

The financial statements were approved by the Trustees on


.....
Mr A Knowles
Trustee

17th FEBRUARY 2021

.....
Mr W Cuell
Trustee

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 NOVEMBER 2020

1 Accounting policies

Charity information

The Purple Elephant Project is a Charitable Incorporated Organisation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 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 charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. 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 charity 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 charity.

1.4 Income

Income is recognised when the charity 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 charity 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 charity 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.

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities and the resulting expenditure are recognised when either a legal or constructive obligation is recognised.

1.6 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:

Fixtures, fittings and equipment	4 years straight line
Computers	3 years straight line

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 net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible 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).

1.8 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.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

1 Accounting policies

(Continued)

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 charity's contractual obligations expire or are discharged or cancelled.

1.10 Donated goods and services

Donated goods and services are professional services and donated facilities which are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

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

2 Critical accounting estimates and judgements

In the application of the charity'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.

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £
Donations and gifts	13,013	5,500	18,513
Donated goods and services	53,320	-	53,320
	<u>53,320</u>	<u>5,500</u>	<u>58,820</u>

In the financial statements for the period ended 30 November 2020, the value of donated goods and services is £53,320 and is shown in Donations and Legacies in the table above. The corresponding costs are disclosed in Charitable Activities and Support Costs, in notes 6 and 7 of the financial statements respectively.

4 Charitable activities

	2020 £
Sales within charitable activities	67,298
Performance related grants	64,193
	<u>131,491</u>
Analysis by fund	
Unrestricted funds	67,298
Restricted funds	64,193
	<u>131,491</u>
Performance related grants	
National Lottery	38,455
London Community Response Fund	15,744
Thriving Communities Fund: Hounslow response Fund	9,994
	<u>64,193</u>

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

5 Raising funds

	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020
<u>Fundraising and publicity</u>			
Advertising	1,526	376	1,902
	<u>1,526</u>	<u>376</u>	<u>1,902</u>

6 Charitable activities

	2020 £
Depreciation and impairment	886
Subcontractors/Therapists	84,654
Subcontractors/Therapists expenses	1,105
Rent	14,686
Printing, postage and stationery	1,224
Toys and materials	2,163
Insurance	573
Centre set up costs	2,120
IT software and consumables	873
Telephone and internet	452
Staff training	916
Repairs, maintenance and small equipment	240
Sundry expenses	1,609
	<u>111,501</u>
Share of support costs (see note 7)	5,760
Share of governance costs (see note 7)	44,956
	<u>162,217</u>
Analysis by fund	
Unrestricted funds	130,315
Restricted funds	31,902
	<u>162,217</u>

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

7 Support costs

	Support costs £	Governance costs £	2020 £
COO costs	5,760	-	5,760
Independent Examiners fees	-	1,200	1,200
Accountancy	-	375	375
Bank and other finance charges	-	181	181
CEO costs	-	43,200	43,200
	<u>5,760</u>	<u>44,956</u>	<u>50,716</u>
Analysed between Charitable activities	<u>5,760</u>	<u>44,956</u>	<u>50,716</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

9 Employees

There were no employees during the period.

10 Tangible fixed assets

	Fixtures, fittings and equipment £	Computers £	Total £
Cost			
Additions	2,812	550	3,362
At 30 November 2020	<u>2,812</u>	<u>550</u>	<u>3,362</u>
Depreciation and impairment			
Depreciation charged in the period	703	183	886
At 30 November 2020	<u>703</u>	<u>183</u>	<u>886</u>
Carrying amount			
At 30 November 2020	<u>2,109</u>	<u>367</u>	<u>2,476</u>

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 NOVEMBER 2020

11 Debtors

	2020
	£
Amounts falling due within one year:	
Trade debtors	2,580
Other debtors	16,699
Prepayments and accrued income	2,406
	<hr/>
	21,685
	<hr/> <hr/>

12 Creditors: amounts falling due within one year

	2020
	£
Trade creditors	18,951
Other creditors	3,527
Accruals and deferred income	13,993
	<hr/>
	36,471
	<hr/> <hr/>

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2020

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 19 November 2019	Incoming resources	Resources expended	Balance at 30 November 2020
	£	£	£	£
Tesco	-	500	(246)	254
London Community Award	-	15,744	(14,208)	1,536
National Lottery	-	38,455	(11,301)	27,154
Thriving Community Award	-	9,994	(3,625)	6,369
Screwfix	-	5,000	(2,898)	2,102
	<u>-</u>	<u>69,693</u>	<u>(32,278)</u>	<u>37,415</u>

Tesco

To purchase additional resources (toys, storage, materials) ensuring children can have their own toy kit to comply with COVID safety guidelines

London Community Response Fund

To cover service adaptations adaptations in light of COVID-19 pandemic and to design and deliver programme of short-term, therapeutic interventions, promoting children's positive mental health/ wellbeing

National lottery

Therapeutic support for children affected by the COVID-19 pandemic

Thriving Communities Fund: Hounslow Response Fund

For improving emotional and mental well-being in children and young people affected by the COVID-19 Pandemic.

Screwfix

To support the transformation of an ex-caretakers house from an office building into a welcoming and safe place for children, young people and their families to access vital therapeutic support. Addition: to support any additional work or resources required to ensure COVID guidelines/ safety

THE PURPLE ELEPHANT PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 NOVEMBER 2020

14 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 30 November 2020 are represented by:			
Tangible assets	1,746	730	2,476
Current assets/(liabilities)	44	36,685	36,729
	<u>1,790</u>	<u>37,415</u>	<u>39,205</u>

15 Related party transactions

Transactions with related parties

During the period the charity entered into the following transactions with related parties:

	Services provided 2020 £
Key management personnel	<u>11,485</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties 2020 £
Key management personnel	<u>3,527</u>

Key management personnel paid for various set up costs incurred prior to the Charity registration. These payments had not been reimbursed at the year end.