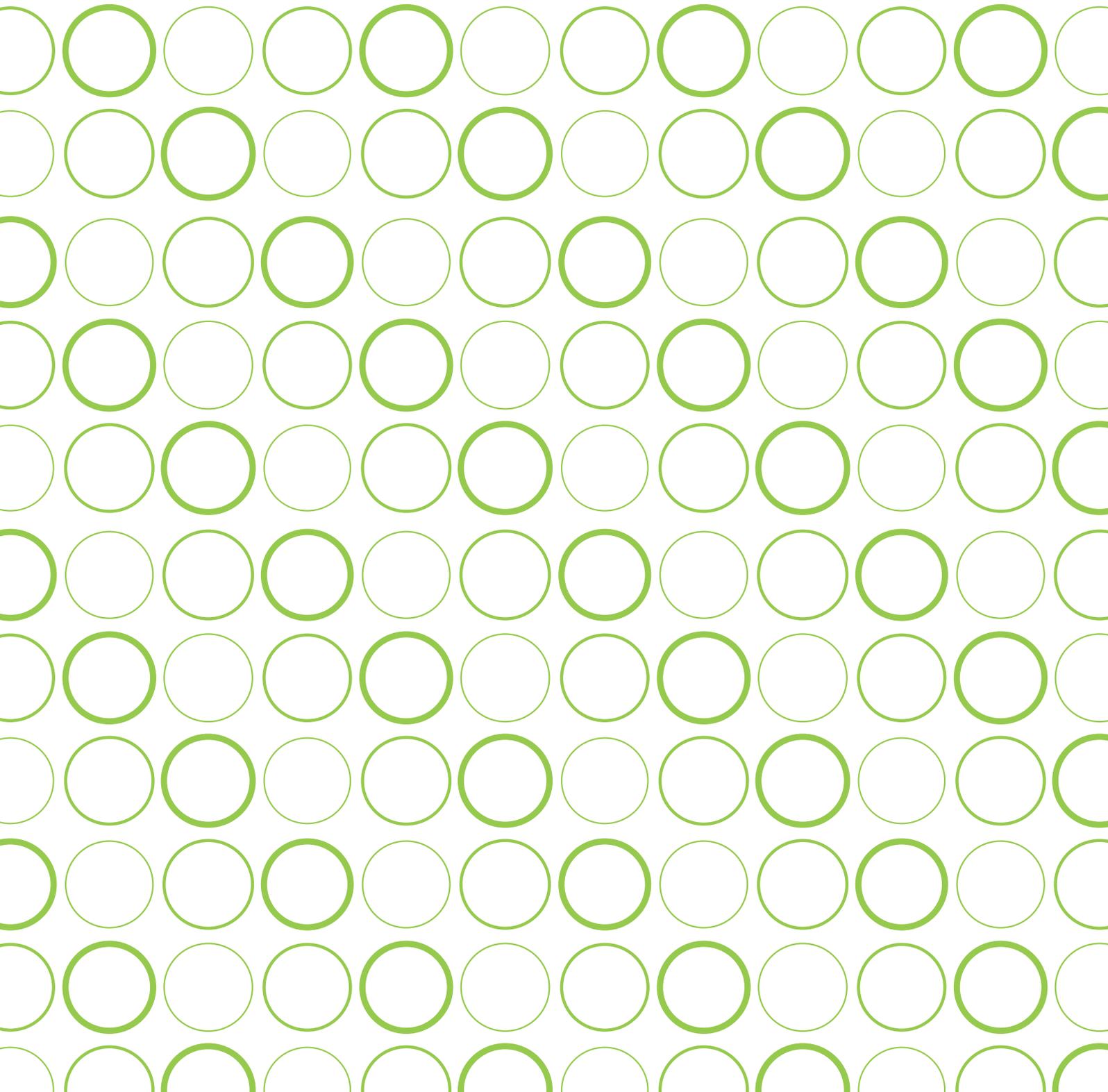


Financial Statements

For the year ended 31st August 2014

Registered Charity Number: 1077106. Registered in England Number: 03819888



**THE ANNA FREUD CENTRE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

Registered charity number: 1077106

Registered company number: 03819888

THE ANNA FREUD CENTRE

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THE ANNA FREUD CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 AUGUST 2014

Board of Trustees

The Hon Michael Samuel (Chair)
Professor John Cape
Professor Linda Mayes MD
Mr Peter Oppenheimer
Mr Daniel Peltz
Mr Dominic Shorthouse (appointed 29.04.14)
Miss Ruby Wax

Chief Executive

Professor Peter Fonagy PhD DipPsych FBA

Chief Operating Officer

Ros Bidmead

The Anna Freud Centre

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London NW3 5SU

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The Anna Freud Centre is a company limited by guarantee, company number 03819888 and a registered charity No: 1077106.

THE ANNA FREUD CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Auditors

haysmacintyre
26 Red Lion Square
London WC1R 4AG

Bankers

Barclays Bank plc
St John's Wood and Swiss Cottage Branch
PO Box 2784
London NW3 6JD

Solicitors

Goodman Derrick
90 Fetter Lane
London EC4A 1EQ

US Lawyers

Paul, Weiss, Rifkind, Wharton & Garrison
1285 Avenue of the Americas
New York
NY 10019-6064
USA

Investment Managers

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Juxon House
100 St Paul's Churchyard
London EC4M 8BU

Ruffer LLP
80 Victoria Street
London SW1E 5JL

Objectives and Activities

Child, adolescent and parent mental health is one of the biggest social and health challenges we face as a society. For over 60 years the Anna Freud Centre has been at the forefront of understanding, protecting and nurturing young minds.

Our vision is a world in which children, young people and families are effectively supported through difficulties and enabled to build on their own strengths to achieve their goals in life

Our principles

1) Children, Young People and Families are at the heart of everything we do.

- *Working in partnership with parents, carers, young people and children.*
- *Providing help and therapy when needed*
- *Requiring participation in designing services*
- *Involving young people and parents/carers in training and teaching*
- *Working together on improvement and evaluation work.*

2) We are committed to discovering and sharing the best ways to help children, young people, parents/carers and professionals.

- *Valuing what we already know works*
- *Refining and improving current practice*
- *Innovating where there are gaps*
- *Exploring, investigating and evaluating*
- *Disseminating knowledge and best practice.*

3) Our impact comes from partnership and collaboration.

- *Valuing the knowledge and expertise of our staff*
- *Drawing on the expertise of children and parents*
- *Leading national and international networks of those who share our principles*
- *Working with other agencies to improve the quality of all of our work*
- *Including diverse perspectives and approaches.*

The Centre's impact/main activities

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing objectives and activities.

Although one in ten young people suffers from a significant mental health problem, the majority of children, adolescents and families do not get the support they deserve. Mental illness has a devastating effect on a young person's life chances, and on wider society. For example, they are more likely to drop out of school, become involved in criminal behaviour, abuse drugs and alcohol, and develop destructive relationships.

By failing to recognise and treat mental health problems at an early age, we are wasting the talent of young minds and allowing social problems and emotional distress to build. This loss of potential is all the more tragic given that we have the tools and the expertise to make effective interventions that can really change lives. This is what we are about at the Anna Freud Centre.

Children, young people and families are at the heart of all our work. Everything we do aims to have a positive impact on their lives which, in turn, has a positive impact on schools, communities and society as a whole.

We care for young minds in five main ways:

- Researching the underlying causes of childhood emotional distress using the latest neuroscience techniques
- Developing, piloting and evaluating new, cost-effective treatments for children and families facing mental health difficulties
- Supporting mental health services to improve their practice through the collection and evaluation of outcomes data and shared decision-making
- Offering teaching and training courses and building a global network of researchers, clinicians and mental health professionals to ensure that new knowledge and ideas are shared as widely as possible
- Providing advice and leadership to national policy initiatives focused on improving children's and young people's mental health.

Strategic report

The following sections summarise the year's achievements and performance as measured against our key areas of focus:

To focus on prevention in the community and helping those who are at highest risk and need the most specialist help

We have continued to focus on early development and early intervention, not just developmentally (in terms of age) but also early on in the development of a disorder. This spans all of our activities, from interventions aimed at preventing criminal behaviour and maltreatment to those aiming to prevent the breakdown of foster placements.

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We also aim to offer care when it is needed most, where it is needed most, and run specialist services for high-risk, vulnerable children and families whose needs are not being met by universal services. Wherever possible, we try to offer help to families in their own communities as we believe it is the best most-cost effective way of providing support. In the last year, our clinical teams (excluding the schools team) have helped approximately 640 children, young people and families. We work with a wide range of ages; from pregnant parents, infants and toddlers to young people and teenagers.

Service	Description
Parent Consultation Service	The Parent Consultation Service provides families with a one-off telephone conversation to provide specialist advice and support on common difficulties that many families face.
Schools outreach	Our Schools Outreach team offers support ranging from multi family, individual child, family or couple support, supervision and training opportunities for school staff, plus psychiatric back up and assessments.
Early Years Parenting Unit	Our Early Years Parenting Unit (EYPU) works with complex parents with personality disorders whose young children are at risk of being taken into care. Families normally attend the Unit twice a week for up to 18 months and attend individual and group therapy sessions.
Parent Infant Project	Our Parent-Infant Project focuses on helping families where there are concerns that the parent's feelings are impacting on their baby. In addition, our New Beginnings project has rolled out PIP in to the community in Hackney and supports care leavers whose children are at risk of being taken into care. We are currently evaluating this project, with results due to be published in 2015.
Parent-Toddler Groups	Parents with toddlers can face daily emotional turbulence and often have concerns about their child's development, sleeping and eating habits, tantrums and toilet mastery. Our weekly Parent-Toddler Groups provide a safe environment for toddlers and caregivers to strengthen their relationship, to explore ongoing concerns, and to help the toddler become more independent.
Child Psychotherapy Service	The Child Psychotherapy Service (CPS) provides a service for families with children aged of 3 -12 years. With a therapist, the family explores ways to treat emotional distress by examining underlying thoughts and feelings. This is achieved through a combination of observation, reflection and responding in words and play according to their understanding of the child's communications.
Mentalization-Based Treatment for Families	The Mentalization-Based Treatment for Families (MBT-F) service provides support to families with children between 7 and 18 years who are experiencing a range of difficulties in understanding each other.

To launch our pioneering schools based programme, including an Alternative Provision Free School

We have successfully launched our schools-based work, which forms part of our wider clinical service programme. The schools work has three main strands, all of which focus on working with both parents and pupils.

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Developing innovative models and improving efficacy

We have developed and continue to refine a multi-family group model that offers accessible and non-stigmatising psychological support to pupils with emotional problems, disruptive behaviour, hyperactivity, poor impulse control, social difficulties, erratic school attendance and who are at risk of exclusion. In this model, groups of up to eight families and children attend family classrooms in 2.5 hour sessions which are run by teachers and psychologists. Each session involves a discussion of current problems, the setting of behavioural targets to alleviate these difficulties and the assessment of progress towards goals. Every 6 weeks each pupil is provided with a review of overall progress, measured against goals such as improved attendance and attainment and improved emotional functioning.

We have also developed SmartGym, a new approach that combines technology and sports psychology with the aim of improving young people's mental health and academic outcomes. It was originally developed to encourage resilience in elite athletes and has been adapted for use with under-achieving children and young people in schools. Groups of 6-8 children and parents take part in ten 'circuit training' sessions, where the children work through a carefully designed set of performance drills, guided by a team of teaching staff and psychologists. The sessions focus on developing the five life skills that promote resilience and underpin positive mental health and academic achievement: trust, motivation, communication, well-being, and concentration. Many of the tasks in SmartGym use biofeedback (e.g. tracking heart rates, breathing rates and skin temperature using a smartphone) to demonstrate to children how stress affects their minds and bodies. To date, we have piloted the use of SmartGym in two schools, Globe Academy in Southwark and Bridge Academy in the Tri-borough of Westminster, Hammersmith and Fulham, and Kensington and Chelsea, with improvements in pupils' attendance rates, academic results and behaviour.

Outreach work in schools

Our Schools Outreach Therapy Service started in October 2013 as a major expansion and development of what used to be the AFC's Primary Schools Project. The team comprises nine outreach therapists who provide a range of services to these schools for children with complex mental health difficulties. The team offers support ranging from multi family groups (described above), individual child, family or couple support, supervision and training opportunities for school staff, plus psychiatric back up and assessments. We currently have contracts with 34 schools across Westminster, Southwark and Kensington & Chelsea.

The Family School London

The Anna Freud Centre has supported the set up and launched an alternative provision family school for pupils with emotional and behavioural difficulties that are beyond what mainstream schools can cope with (<http://www.thefamilyschoollondon.org/>). The school is unique in that it combines mental health support with education in a non-stigmatising classroom context, enabling young people to continue with their learning during treatment and recovery. A parent or close relative is required to attend sessions and the multi-family groups in school, with the aim of helping families to develop resilience together. In addition to providing education for the child, we also offer literacy, numeracy and ICT training for parents so that they can enhance their existing skills in these areas.

To expand our public and private court assessment services

Our Court Assessment Services have been renamed Specialist Assessment and Treatment Services and have almost doubled in activity (49 cases in 2013-2014, compared to 29 cases 2012-2013). These services provide comprehensive assessments of children and families in court proceedings or pre-proceedings, primarily in London and the South East. The aim is to advise the Court on the parents' capacities and children's development, assisting with decisions on where children should live, as well as on the support that the parents or children may require. We advise on a range of different situations including complex families, contact and residence disputes and cases in which children have experienced acute trauma. The majority of our cases are commissioned by local authorities, with other work referred by guardians, the courts and parents' solicitors.

To launch more commercial ventures to contribute to our income and impact

We have been developing and launched the Patient Owned Database (POD), which is a system for collecting data on patients' experiences using a tablet, PC or phone. It can be used to record clinical data by clinicians working with children, young people and families or by researchers. Organisations pay a subscription (that simply covers costs) and are able to access personalised outcomes measure sets for their specific work/project.

Staff and/or children, young people and families login to complete measures online, and their scores are calculated instantly and saved to a database. Currently, approximately 390 staff in 35 projects are using POD and it currently contains records for nearly 3,000 patients.

To be a resource for partnership to facilitate service transformation

Effective collaboration is key to our success. We work with children, young people and families and partners from both the public and private sectors to ensure the services we provide are informed by research, tested in the field, and tailored to young people's needs.

We successfully won a bid to run 'Minding the Gap', a service which supports 16-25 year olds in Camden in their transition to adulthood. We are working on this project in collaboration with the Tavistock Clinic, the Brandon Centre, Camden and Islington Mental Health Trust, Catch 22, The Winch and Music and Change UK. The Centre will be responsible for employing young workers to advise on the project and to support training. In addition to improving existing support services, the project also includes the development of an integrated youth base to bring together a range of services and skills that meet the holistic needs of young people in this age range.

We have also won a contract to train social workers in the tri-boroughs of Westminster, Hammersmith/Fulham and Kensington and Chelsea. We obtained the contract for two parts of the training on parenting and motivational interviewing. The Evidence Based Practice Unit will evaluate the impact of the training.

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In response to the current crisis in CAMHS, we have been working with the Tavistock to develop a new model for how CAMHS should be conceived, commissioned and run. This model focuses on the actual needs of children and their parents rather than diagnostic categories, which too often clumsily ignore the complex reality of young people's needs. We plan to publish the model at the end of the year.

To embrace new technology (e.g. AMBIT, SmartGym, various EBP projects)

Given the ever-increasing demands on resources, our Evidence-Based Practice Unit has developed a range of websites that provide information to support active help-seeking and self-management in a cost-effective way.

The My CAMHS Choices website (<http://mycamhschoices.org/>) has been created in collaboration with young people to demystify the CAMHS process. Using video footage of both young people and professionals, together with FAQs, contact details and links to other resources, it is designed to allay the anxiety and worry associated with having involvement with mental health services.

What's Up! (<https://whats-up.meganexus.com>) is a DfE funded website, currently being refined and tested, designed to support and engage 11-16 year olds in self-help and the self-management of emotional and behavioural issues. The portal provides opportunities for schools to engage young people in considering issues around emotional wellbeing.

CAMHsWeb (<https://camhsweb.silvercloudhealth.com>) is an interactive website to support children and young people accessing CAMHS across England. Through a range of online resources including tips and games, it enables them to become active participants in their care, personalise their treatment packages and make informed decisions about forms of treatment and choices of providers.

The Youth Well-Being Directory (<http://www.youthwellbeingdirectory.co.uk/author/ywd/>) is a free online directory providing information about child and adolescent mental health service providers, covering statutory, voluntary and independent sectors, both large and small. The directory allows young people and parents to search for local and national services according to their needs. Designed for anyone using these services, the directory also includes information on best practice and a glossary of terms.

AMBIT

We have developed a radical new approach for working with self-harming and suicidal young people who may also be involved in drugs and crime. Our Adolescent Mentalization-Based Integrative Treatment (AMBIT) aims to offer much-needed, accessible and immediate support to these young people.

Rather than seeing a string of different professionals, each young person has one dedicated and trusted worker who will meet them in a place where they feel safe. Field-workers are not just therapists but also act as the point of liaison for the social, mental health, educational and youth justice services to which the young person is known.

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Field-workers are supported using an award-winning (Innovation Nation Award by The Guardian newspaper and Virgin Media) wiki-technology pioneered by Dr Bevington (see <http://ambit.tiddlyspace.com>). This open-source website is a completely new form of structured treatment manual that allows teams to co-produce their own resources, blending recommendations from academics/researchers with local experience of what works on the ground.

In the last year, we have trained more than 550 professionals from teams across the UK and internationally (e.g. the US, Switzerland and Australia), and an international training programme has been formally established.

Other achievements

Participation

Children, young people and families are at the heart of everything we do and we have been running a number of projects to ensure their active involvement in our work.

We were awarded £5,000 by the Rose Foundation to construct a 'Den' in the garden. This was on the back of a suggestion from pupils at the Holy Trinity School who regularly use the garden for a nature club and lessons. The den has been constructed and is in the process of being decorated, based on designs submitted by pupils. We hope to use this space to continue our work engaging with young people about the AFC and emotional well-being in a non-stigmatising way.

We have a parents' panel who meet every other month to discuss their ongoing involvement in the AFC work. Achievements in the past year include:

- Being involved in recruitment panels for the appointment of clinical staff
- Assisting with the development of clinical services written materials
- Thinking of ways to engage other parents in activities. A number of suggestions have been made including a community café
- The parents' panel and AFC successfully won a £30,000 grant from Camden to develop and deliver the Empowering Parents Empowering Communities (EPEC) parent training to parents in temporary or insecure housing.

A cohort of 12 parents with experience of temporary or insecure housing undertook our 8 week Empowering Parents Empowering Communities parent training course. It is a community based programme which had been designed by parents and tailored specifically to the needs of parents in temporary accommodation. The model assumes that parents find it less stigmatizing and more supportive to attend parenting groups run by local people who are in very similar circumstances to themselves. Six parents have now graduated and have started Facilitator training, which they will complete in December. The aim is for these parents to go on to deliver the training course to other parents.

We are working to embed a culture of participation within the AFC and have recently run a consultation with staff on what they would find useful so that we can plan workshops in 2015. This course will be co-produced with children and parents and will be a part of the induction for all new staff. We also hope to develop further levels of training which will cover topics in more detail.

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We have also developed a recruitment training workshop which can be delivered to young people and parents who are involved in recruitment at AFC. This training has been piloted with a group of staff for their feedback.

We also continue to work closely with our service users in research projects. For example, IMPACT-US consists of young people and parents who have already completed their involvement as participants in the IMPACT-ME study. They have helped us to develop the project logo; to refine interview schedules; and to develop thinking with us about strategies to re-engage families that have been difficult to get in touch with. Over the last six months they have especially been thinking with us about how we can disseminate our findings from the study about young people's expectations of therapy.

Research

We have continued to expand our research portfolio and currently focus our work on three main areas: 1) understanding the nature of mental health difficulties and how they develop; 2) evaluating the best ways to intervene to treat common child and adolescent mental health problems; and 3) assessing the impact of service transformation initiatives. Some examples of each type of research are included below.

1) Understanding the nature of mental health difficulties and how they develop

Our U-Change project is a Wellcome Trust funded research project at the Anna Freud Centre, and is in collaboration with the University College London and the University of Cambridge. The project aims to measure and characterise the normal cognitive and emotional processes and maturational changes in brain structure and function in healthy participants aged 14-24 years.

Adolescence is a time of high risk for the incidence of major psychiatric and drug dependence disorders that involve neural systems. But a lack of understanding of the normative processes of youthful brain maturation severely limits our capacity to develop neurobiological theories for the emergence of psychiatric disorders as an expression of abnormal brain development. In turn, this limits our capacity to identify people who might be at high risk of developing a disorder, or to develop disease-modifying approaches to treatment. This project will help to build a database with information on the normal processes of human brain development in adolescence. The database will support future neuroscience-driven studies of adolescent and young adult patients with mental health disorders.

Our Brain Study is investigating biomarkers in young people living with high levels of stress, who often suffer from behavioural problems, and how these markers change as a function of treatment. Understanding these changes is crucial for early identification and for developing effective intervention and prevention strategies.

Brain activity (assessed using electroencephalography, EEG) and heart rate are being assessed in two groups of young people (males aged 13-17 years), at two time points. That is, a group of young people who have recently begun to receive practical and emotional support from Kids Company, as well as a group of young people from the same community who have not approached Kids Company. Each group will be seen twice, with a one-year gap between testing sessions. In particular, the young people's emotional regulation and reactivity will be assessed, as well as the crucial executive function inhibitory control.

2) Developing new treatments and evaluating the best ways to intervene to treat common child and adolescent mental health problems

Our Improving Mood through Psychoanalytic and Cognitive Therapies study (IMPACT) is an ongoing clinical trial of psychological treatments involving 480 young people with severe depression. The young people received one of three treatments: Cognitive Behavioural Therapy, Short Term Psychoanalytic Psychotherapy or Specialist Clinical Care. At their first therapy session we took a range of measurements (e.g. assessments of depression and anxiety, risk, self-harm and quality of life) and then reassessed them at 6, 12, 36, 52 and 86 weeks. We were aiming to see how effective the different therapies were at treating and preventing relapse in adolescents with depression. Linked to this research project, IMPACT-My Experience (IMPACT-ME) seeks to understand how young people and families taking part in the trial experience teenage depression and therapy, and to make sense of what supports young people in recovering from depression – or in some cases, what the obstacles to recovery are.

In August we were chosen to evaluate the Big Lottery's Headstart programme, which is funding a broad range of initiatives for improving resilience in 10-14 year olds. In collaboration with Big Lottery, University of Manchester and Common Room Consulting Ltd, we are developing a measurement framework that can be used to assess the effectiveness of the initiatives in 12 pilot areas. The areas are all running different projects aimed at helping young people deal with life's ups and downs.

3) Assessing the impact of service transformation initiatives

We continue to lead on the evaluation of NHS England's Children and Young People's Improving Access to Psychological Therapies (CYP IAPT) programme, which aims to transform existing CAMHS services in England. The project trains clinicians in a range of evidence-based treatments, and supports managers to facilitate change in their services. Our role has been to train clinicians in how to use and implement routine outcome measurement. The Child Outcomes Research Consortium (CORC), in collaboration with MegaNexus, has been collating and analysing data collected by clinicians, and then sharing the results to inform future practice.

We have also been selected to evaluate the Situation Awareness for Everyone (SAFE) programme, which looks at ways to reduce preventable deaths and error occurring in the UK's paediatric departments. SAFE is being led by the Royal College of Paediatrics and Child Health (RCPCH) and will test models of care including the 'huddle' technique – a ten minute free, frank exchange of information between clinical and non-clinical professionals involved in a patient's care – in a bid to encourage information sharing and to equip professionals with the skills to spot when a child's condition is deteriorating as well as prevent missed diagnosis. We are evaluating the impact of SAFE with the aim of informing improvements, reducing patient harm and driving changes in staff, patient and family attitudes.

Teaching and training

Training

The AFC runs a number of training courses and specialist conferences throughout the year, which are mainly aimed at mental-health and allied professionals. This strand of work is core to the Centre's mission of disseminating skills in innovative practice. Between 1st September 2013 and the 31st August 2014 we ran 71 internal training events and 35 external training events, which were attended by more than 3,000 people. This included 11 new courses and the trainings were run not just in the UK, but also internationally, including in the United States, Finland, South Africa, Israel and Australia.

In addition to our courses for professionals, we have recently launched Family and Carers Training Support Programme (FACTS). It is a short course for family members and significant others of people who have a diagnosis of Borderline Personality Disorder. FACTS was developed to help families and significant others to cope with their own feelings, teach them about BPD and help them support their relative or friend. The programme was developed by Dr Anthony Bateman, a leading expert in BPD, and consists of five evenings, led by family members who participated in the previous course, to train and support families involved with people with BPD. We will be recruiting for and running an evaluation of this service next year.

Postgraduate studies

Our postgraduate studies programme offers an unrivalled portfolio of clinically-oriented Masters courses covering therapeutic modalities from psychoanalysis to cognitive behavioural therapy and systemic family practice and interpersonal psychotherapy.

The Centre's groundbreaking research projects in child and adult mental health, a developmental neuroscience research laboratory and a range of innovative clinical projects with children and families mean that our teaching staff and students are embedded in a rich research and clinical setting. As a result, we hope that students have the chance to learn theory illuminated by case material and real clinical experience. But equally, we emphasize intellectual and research rigour so that all students develop skills in learning to critically evaluate everything that they are taught.

We currently have 59 students enrolled on our three Masters courses (DNP, DPCP, PDP), which are run in collaboration with University College London and Yale. We have 32 students enrolled in the MSc/PG Dip/ PG Cert in Cognitive Behavioural Therapy for Children and Young People, which is offered part-time and is aimed at those already working professionally with young people, including social workers and educational psychologists. We have nine students studying for a Doctorate in Child and Adolescent Psychoanalytic Psychotherapy. This course aims to develop the academic, clinical and research skills needed to practice as a professional Child and Adolescent Psychotherapist.

The Anna Freud Centre also delivers training to professionals as part of NHS England's Children and Young People's Improving Access to Psychological Therapies programme. In November 2013 we enrolled 24 new students on to a postgraduate course for managers of children and young people's mental health services and in January 2014 72 new students joined our CYP IAPT therapy courses.

3-5 year Strategic Objectives

1. To build a new campus as a world class home for clinical service innovation, research and education
2. To seek and develop whole scale service transformation opportunities in mainstream public, community and private sector contexts
3. To launch a new Enterprise Unit as a Launchpad for global dissemination of products and services
4. To consolidate and develop a family of licensing and accreditation models to support the global adoption and peer-based enhancement of innovative practice
5. To codify and public impact metrics and theory of change.
6. To build a shared data infrastructure as a platform for partnership working, across our internal programmes as well as within and between our external multi-sector partnerships.
7. To build a media lab, content distribution channels and community collaboration platform to support global knowledge sharing through e-learning and peer to peer collaboration.
8. To work together with young people, parents and professional, drawing on their expertise to improve existing forms of help and delivery of that help.
9. To strengthen our role as a trusted and influential advisor on national and international policy.
10. To codify our core audience segments and to develop engagement platforms and channels that track and enhance their quality of engagement relating to our core offering, advocacy and fundraising.

Short term goals

- To develop a shared clinical activity monitoring system that will be an easy way to report on the children and families who attend the Centre.
- To offer an in-service training programme for Specialist Assessment and Treatment Services team members to take forward court assessment work
- To launch a capital funding campaign to cover the costs of development of a new campus at King's Cross
- To be commissioned to co-design and develop major service transformation initiatives
- To further develop manualisation of Anna Freud Centre treatment methods
- To further expand our participation work with children, young people and parents
- To develop a media channel, producing our own content and sharing knowledge with mental health professionals and children, young people and families
- To improve the Anna Freud Centre's communications, including launch of a new website
- To influence service improvement internationally, including running an international CAMHS summer school

Structure, governance and management

The Anna Freud Centre is a registered charity (number 1077106). It is set up under its Memorandum and Articles of Association, as a company limited by guarantee (registration number 3819888).

The Board of Trustees are the charity's trustees and the legal directors of the company. They serve a four-year term, after which they are eligible for reappointment. New trustees are selected through open recruitment. Emphasis is placed on ensuring representation from key stakeholders and any identified skills gap within the Board at the time of recruiting. The Chair identifies Trustees' training needs with the Board.

The Board of Trustees meet six times a year. The Board set and review strategy and monitor operational matters. The Finance Committee is a sub-committee of the Board of Trustees and its membership includes the Chair and Treasurer. Before submission to the full Board, the Finance Committee review the annual accounts, issues relating to internal or external audits, investment and reserves' policies and the remuneration of senior staff. Matters not reserved for decision by the Board of Trustees are delegated to the Centre's Executive: its Chief Executive and Chief Operating Officer.

Risks and uncertainties

The Board of Trustees carry out a full risk assessment each year and monitor progress quarterly. This process is supported by our Finance, Audit and Clinical Risk Committees. These groups aim to identify and assess major risks to the Centre and to ensure that steps are taken to mitigate these risks as far as possible. The Trustees continue to review the register of risks, which identifies the types of risk and assesses their likelihood of occurrence, potential impact and means of mitigation.

Internal risk management processes are integrated into the annual business planning and reporting cycle. Looking forward, the Board has identified the following areas of risks

- Strategic: there is a risk that ongoing changes in the external funding environment may make it more difficult for the Centre to achieve its objectives. To mitigate this risk we maintain and are building on our diverse range of funding sources.
- In the next year we will be embarking on a major a step change process with two hubs to support our operations. As part of this we will be aiming to raise £7 million in a Capital Campaign. There are a number of risks associated with this process, including failure to meet the fundraising target. To mitigate against this risk we have allocated additional resources to the fundraising team and are planning to appoint a fundraising consultancy to provide advice and support.
- Operational delivery: there are a number of potential risks around the operational delivery of the large new campus project. These include the potential disruption to staff working and offices, logistical problems, and internal communication difficulties between our sites. To mitigate against these risks we will be appointing a project management to oversee the logistics of the development, including management of structural engineers and architects. The Board will ensure that any project management company appointed has clear risk policies and practices in place. We continue to allocate resources to internal communication to ensure that there is as little disruption as possible.

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- IT: there are always risks associated with using IT systems, including breach of security and loss of data and/or information. We have clear IT and information governance policies in place to ensure that data is stored safely and according to required standards and we have a Caldecott Guardian in place.
- Financial: The Board of Trustees is responsible for ensuring the Centre has in place an appropriate system of financial controls to provide assurance that the charity is operating efficiently and effectively, its assets are safeguarded and that proper records are maintained. Also that financial information used within the Centre for publication is reliable and that the charity complies with relevant laws and regulations. The Finance Committee examines the effectiveness of internal systems of financial control on behalf of the Board of Trustees. The Centre's systems of financial control include:
 - A business plan and annual budget approved by the Board
 - Regular review by the Board of actual results compared to budget and plan
 - Delegation of authority to spend within defined limits
 - Identification and management of risk by the Board, Executive and Senior Leadership Team.

Financial review

Key Financial Statistics

At £7.7m our income is up by over £1m compared to 2013 due to an increase in income from our activities in terms of commissions, contracts and academic and professional training fees. This increase in income has enabled us to increase our reach which has been reflected in our expenditure. Clinical and preventative services have seen costs increase by over £700k which reflects our new work in schools (34 schools more than last year have a therapist due to our work), and our work with court services. However we are still running a deficit, especially in unrestricted funds and so we still rely on the continued support of our donors to enable us to achieve our mission.

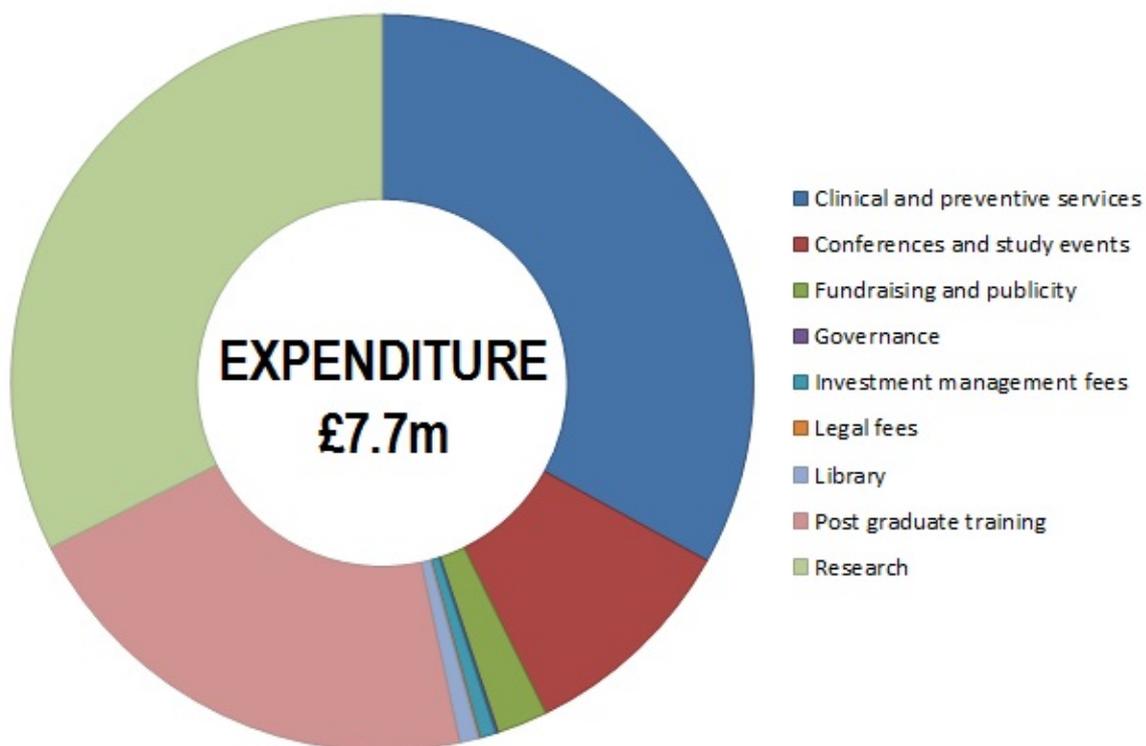
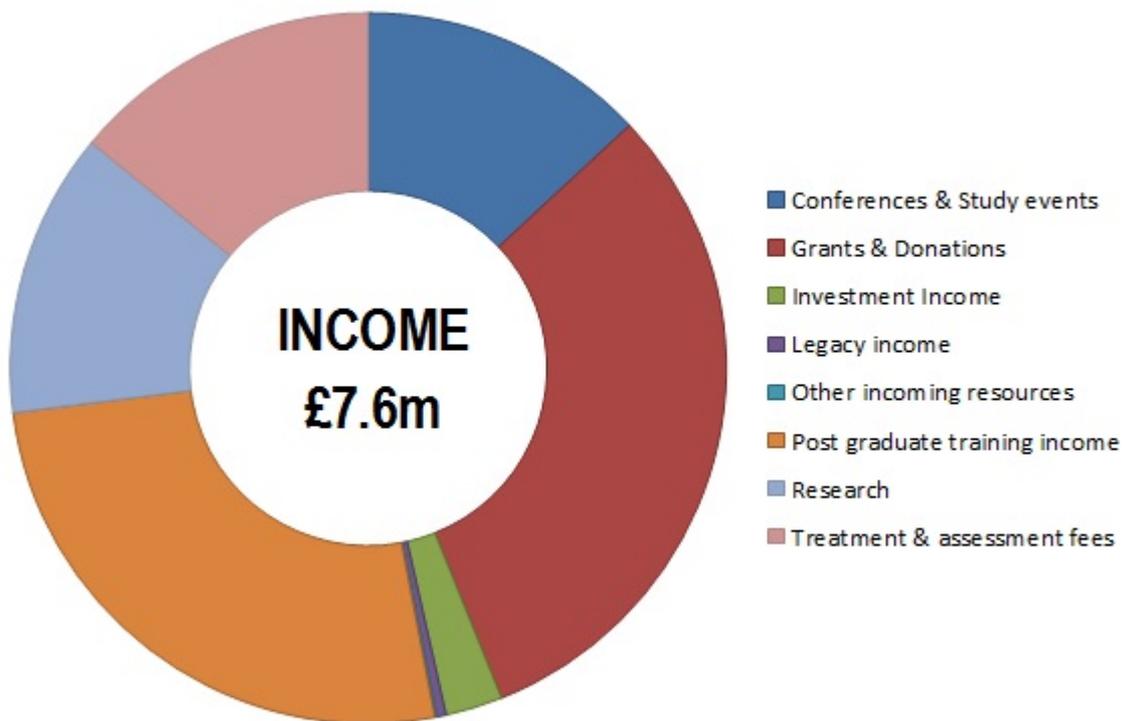
The end of the year saw the purchase of a new site in Kings Cross, purchased in order to facilitate the Campus project. This will see the Centre achieve a twin site at Maresfield Gardens and Kings Cross, with the Centre-sponsored Family School at the Kings Cross site. The objective is to develop the site to enable it to accommodate the Family School London with wrap around services and so in the forthcoming year we intend to expand the site and in due course develop it.

Reserves

The Trustees have reviewed the reserves' policy and concluded that reserves should remain above £3m on the basis that this should provide an adequate buffer against variations in income.

Reserves remain strong; in total reserves are £9.9m, with £9.67m in unrestricted reserves. Our free reserves are made up of the general and designated funds, less tangible fixed assets excluding the cost of land, and so as at 31st August 2014 this is £5.58m, which accounts for just over 6 months of budgeted expenditure.

THE ANNA FREUD CENTRE
 TRUSTEES' ANNUAL REPORT
 FOR THE YEAR ENDED 31 AUGUST 2014



TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of the Anna Freud Centre for the purposes of company law) are responsible for preparing the Trustees' Annual 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 year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

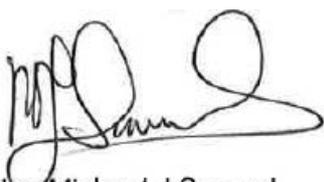
In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The auditors, haysmacintyre, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

The Trustees' report, incorporating the Strategic Report was approved by the Trustees on 24th March 2015 and signed on their behalf by:



The Hon Michael J Samuel
Chair of Trustees

We have audited the financial statements of The Anna Freud Centre for the year ended 31 August 2014 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure account), the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Bernie Watson
Senior Statutory Auditor
for and on behalf of haysmacintyre, Statutory Auditors

26 Red Lion Square
London
WC1R 4AG

Date: 24 March 2015

THE ANNA FREUD CENTRE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2014

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations and grants	2	74,416	2,286,107	2,360,523	2,827,510
Legacy income		32,395	-	32,395	100,000
<i>Activities for generating funds:</i>					
Investment income	5	197,720	-	197,720	171,808
		<u>304,531</u>	<u>2,286,107</u>	<u>2,590,638</u>	<u>3,099,318</u>
Incoming resources from charitable activities:					
Treatment & assessment fees		1,073,816	-	1,073,816	568,395
Conferences & study events		995,303	-	995,303	901,141
Post graduate training income		1,985,131	-	1,985,131	1,321,187
Research		989,042	-	989,042	454,715
		<u>5,043,292</u>	<u>-</u>	<u>5,043,292</u>	<u>3,245,438</u>
Other incoming resources		<u>6,089</u>	<u>-</u>	<u>6,089</u>	<u>99,426</u>
Total incoming resources		<u>5,353,912</u>	<u>2,286,107</u>	<u>7,640,019</u>	<u>6,444,182</u>
Resources Expended					
Cost of generating funds:					
Fundraising and publicity	3	168,416	-	168,416	163,281
Investment management fees		54,030	-	54,030	46,741
Legal fees		5,107	-	5,107	
		<u>227,553</u>	<u>-</u>	<u>227,553</u>	<u>210,022</u>
Charitable activities:					
Clinical and preventive services		1,860,693	670,900	2,531,593	1,831,549
Post graduate training		1,606,783	-	1,606,783	1,163,341
Research		948,063	1,537,721	2,485,784	2,489,735
Conferences and study events		717,774	25,241	743,015	774,662
Library		65,753	-	65,753	63,515
		<u>5,199,066</u>	<u>2,233,862</u>	<u>7,432,928</u>	<u>6,322,802</u>
Governance costs		<u>7,760</u>	<u>-</u>	<u>7,760</u>	<u>29,062</u>
Total resources expended	3	<u>5,434,379</u>	<u>2,233,862</u>	<u>7,668,241</u>	<u>6,561,886</u>
Net outgoing resources before transfers		<u>(80,467)</u>	<u>52,245</u>	<u>(28,222)</u>	<u>(117,704)</u>

THE ANNA FREUD CENTRE

STATEMENT OF FINANCIAL ACTIVITIES (continued)

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
Net outgoing resources before transfers		(80,467)	52,245	(28,222)	(117,704)
Transfers between funds		302,360	(302,360)	-	-
Net outgoing resources		221,893	(250,115)	(28,222)	(117,704)
Net investment gains		278,046	-	278,046	627,623
Gain on sale of image rights	4	69,938	-	69,938	406,206
Net movement in funds		569,877	(250,115)	319,762	916,124
Fund balances brought forward at 1 September 2013	12	9,101,302	569,330	9,670,632	8,754,507
Fund balances carried forward at 31 August 2014	12	<u>9,671,179</u>	<u>319,215</u>	<u>9,990,394</u>	<u>9,670,631</u>

There were no recognised gains or losses other than as disclosed in the statement of financial activities. All income and expenditure relates to continuing activities.

The accompanying notes form an integral part of these financial statements.

BALANCE SHEET

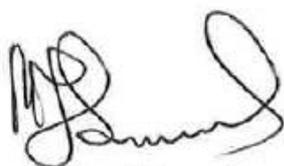
AS AT 31 AUGUST 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Tangible assets	6		9,942,455		2,355,046
Investments	7		4,930,602		6,959,081
			<u>14,873,057</u>		<u>9,314,127</u>
Current assets					
Debtors	8	1,007,066		898,700	
Cash at bank and in hand		131,208		1,699,513	
		<u>1,138,274</u>		<u>2,598,213</u>	
Creditors: amounts falling due within one year	9	(2,517,437)		(2,241,709)	
Net current assets			<u>(1,379,163)</u>		<u>356,504</u>
Creditors: amounts falling due after more than one year	10		(3,503,500)		-
Total assets less current liabilities			<u>9,990,394</u>		<u>9,670,631</u>
Funds	12				
General funds			3,822,531		6,104,772
Designated funds			5,848,648		2,996,530
Restricted funds			319,215		569,329
Total funds	12		<u>9,990,394</u>		<u>9,670,631</u>

The accompanying notes form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 2015 and were signed below on its behalf by:

24 March



The Hon Michael Samuel
Chair of Trustees

THE ANNA FREUD CENTRE

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

	Note	2014 £	2013 £
Net cash inflow from resources	19	103,989	858,109
Returns on investments and servicing of finance			
Investment income		197,720	171,808
		<u>301,709</u>	<u>1,029,917</u>
Capital expenditure and financial investments:			
Purchase of tangible fixed assets		(7,752,405)	(66,334)
Disposal of tangible fixed assets		865	-
Purchase of investments		(7,615,835)	(2,107,051)
Disposal of investments		9,922,360	1,985,059
		<u>(5,143,306)</u>	<u>841,591</u>
(Decrease / Increase in cash			
		<u>(5,143,306)</u>	<u>841,591</u>
Financing:			
Bank Loan		(3,575,000)	-
		<u>(3,575,000)</u>	<u>-</u>
Change in net funds resulting from cash flows		(1,568,306)	841,591
Net funds at 1 September 2013		1,699,514	857,922
Net funds at 31 August 2014	20	<u>131,208</u>	<u>1,699,513</u>

The accompanying notes form an integral part of these financial statements.

THE ANNA FREUD CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

a) Convention

The financial statements have been prepared under the historic cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005).

b) Depreciation

All assets costing more than £250 and with an expected useful life exceeding one year are capitalised.

Freehold properties are included in the financial statements at valuation. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Freehold properties	2% per annum
Furnishings and equipment	25% per annum

c) Investments

Investments are included in the balance sheet at market value. It is the charity's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising relating to previous years. As a result the statement of financial activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings as they are together treated as changes in the value of the investment portfolio throughout the year.

d) Incoming Resources

All incoming resources are accounted for as they become available to the charity.

e) Translation of Foreign Currencies

Bank balances in foreign currencies are translated into sterling at the rate of exchange ruling at the year end and any exchange differences together with exchange differences arising from the conversion of grants received in foreign currencies into sterling during the year are included in the statement of financial activities.

f) VAT

Where appropriate, expenditure includes irrecoverable value added tax.

g) Resources Expended

Direct costs have been charged to the relevant project it has arisen for. Overheads are apportioned across the organisation based on a percentage of direct costs. Governance costs include costs incurred in meeting constitutional and statutory requirements.

h) Pension Costs

The organisation offers employees a 6% contribution towards their pension based on their gross payment. Employees who do not opt out of the scheme are members of a group personal pension contributory system with Scottish Life, administered by the Anna Freud Centre.

i) Fund Accounting

General funds consist of amounts available to the trustees to be applied at their discretion within the objects of the charity. Designated funds comprise unrestricted funds which have been set aside at the discretion of the trustees for specific purposes.

Restricted funds consist of amounts subject to special trusts within the objects of the charity either imposed by the donor or by the terms of the appeal.

All income and expenditure is shown in the statement of financial activities.

THE ANNA FREUD CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

2 GRANTS AND DONATIONS

Incoming resources from generated funds:

	2014	2013
Unrestricted	£	£
Downing Street		
Other donations	-	47,396
Goldman Sachs	-	20,000
Risby Charitable Trust	-	5,000
Tangent Charitable Trust	-	10,000
The Emily Hughes-Hallett Fund	-	5,000
The Hon P N Gibson Charity Trust	-	5,000
Thomas Hughes-Hallett	-	15,000
William Sieghart	-	15,000
Technology and innovation		
The Holly Hill Charitable Trust	7,000	-
Development fund		
Goldman Sachs	20,000	-
Sundry donors	37,360	-
TPG Global	5,000	-
Randy Work	5,000	-
Donations and small grants		
Other donations	56	16,404
V&E Meyer	-	38,125
Unrestricted Total	74,416	176,925
Restricted		
Adolescent Mentalization Based Integrative Treatment (AMBIT)		
Comic Relief	11,171	33,515
BOND		
Young Minds	-	32,100
Child Policy Research Unit		
UCL - Institute of Child Health	93,830	-
University College London		166,085
Child Psychotherapy Service		
Anna Freud Foundation	3,891	9,573
The Chesser Trust	10,328	-
Freud Centenary Fund	30,000	-
Sundry donors	5,000	9,595
Clinical Services		
E & N Blond Charitable Trust	-	5,000
Sundry donors	-	14,051
The Peltz Trust	-	5,000
Clinical Services central costs		
V&E Meyer	7,625	-
Sundry donors	764	-
Closing the Gap		
The Health Foundation	-	135,019
Carry forward	162,609	409,938

THE ANNA FREUD CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

Brought forward	162,609	409,938
DNU lab		
Kids Company	-	43,836
Sundry donors	558	600
Early Years Parenting Unit		
Department for Education	393,378	449,675
V&E Meyer	75,000	75,000
EBPU general (Evidence based practice unit)		
Sundry donors	-	3,000
Englands Lane toddler group		
Sundry donors	-	2,500
EPEC		
London Borough of Camden	14,000	-
FACTS (BPD for family adults)		
Lewis Family Charitable Trust	35,821	30,000
Family Support Services		
John Lyon's Charity	-	25,000
Sundry donors	-	4,542
Free school		
The Holly Hill Charitable Trust	-	10,000
IMPACT study		
University of Cambridge	118,788	168,877
IMPACT-ME study		
The Monument Trust	56,000	110,000
INET		
Institute for New Economic Thinking	-	54,194
Informed Choice		
Department of Health	23,462	28,818
Managing Uncertainty		
Institute for New Economic Thinking	-	29,574
Master class		
Department of Health	-	49,332
MBT-F services		
Sundry donors	1,844	-
New Beginnings		
Berry Street Foundation	20,072	-
V&E Meyer	58,642	-
Outreach services for schools		
Holland Park School	16,500	-
Sundry donors	4,875	-
V&E Meyer		24,375
Parent consultation service		
Sundry donors	1,795	-
Parent Infant Project @ AFC		
Sundry donors	-	5,771
The Tompkins Foundation	-	5,000
V&E Meyer	-	10,000
Carry forward	983,344	1,540,032

THE ANNA FREUD CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

Brought forward	983,344	1,540,032
Payment By Results (PBR)		
Department of Health	213,191	251,768
PIP @ AFC		
Chesser Trust	10,328	-
International Psychoanalytical Association	10,847	-
Sundry donors	9,526	-
PIP: Baby Clinic		
The Winnicott Trust	-	10,000
PIP: Hostels		
Sundry donors	13,675	4,500
The Tompkins Foundation	-	5,000
REDIT (DIT - Trials)		
Tavistock & Portman NHS Trust	32,400	141,603
Shared decision making		
Department of Health	64,231	55,401
START - Multi-Systemic Therapy		
TADS	-	98,855
University College London	156,563	72,417
START - STEPS-B		
University College London	65,506	-
START - STOP-SB		
Department of Health	-	72,275
Story stem training		
Sundry donors	2,500	-
Toddler@AFC		
The Chesser Trust	17,344	-
Sundry donors	129	1,072
U CHANGE		
University College London	105,730	121,111
UCL collaborative projects		
Anonymous	37,500	-
Anonymous donor	-	30,000
Psychoanalytic Electronic Publishing	56,220	-
Psychoanalytical Electronic Publishing	-	59,135
Sundry donors	-	848
UPROMISE		
The Chesser Trust	-	10,000
User participation		
Metropolitan Public Garden Association	-	2,800
The Rose Foundation	5,000	-
Waterloo		
Kids Company	23,042	-
IncludeMe! (DH)		
Department of Health	231,926	115,812
IncludeMe! For Schools (DfE)		
Department for Education	247,105	57,955
Restricted Total	2,286,107	2,650,584
Grand Total	2,360,523	2,827,509

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

3. TOTAL RESOURCES EXPENDED

	Salaries	Consultants	PG grants	Other expenses	Support costs	2014	2013
	£	£	£	£	£	£	£
<i>Cost of generating funds</i>							
Fundraising and publicity	134,918	830	-	18,894	13,774	168,416	163,281
Investment Management Fees	-	-	-	54,030	-	54,030	46,741
Legal fees	-	-	-	5,107	-	5,107	-
	134,918	830	-	78,031	13,774	227,553	210,022
<i>Charitable expenditure</i>							
Clinical and preventive services	1,995,293	58,261	-	243,881	234,158	2,531,593	1,831,549
Post graduate training	875,559	393,350	47,935	138,425	151,514	1,606,783	1,163,341
Research	1,452,940	387,756	69,734	354,970	220,384	2,485,784	2,489,735
Conferences and study events	343,045	205,847	-	132,140	61,983	743,015	774,662
Library	43,952	-	-	14,914	6,887	65,753	63,515
	4,710,789	1,045,214	117,669	884,330	674,926	7,432,928	6,322,802
Governance	-	-	-	7,760	-	7,760	29,062
Total Resources Expended	4,845,707	1,046,044	117,669	970,121	688,700	7,668,241	6,561,886

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

3. RESOURCES EXPENDED (continued)	2014	2013
	£	£
Support costs		
Computer costs	211,097	106,044
Property maintenance	41,500	36,457
Printing, postage and stationery	34,910	59,877
Telephone	13,033	13,970
Rates	20,740	20,843
Insurance	45,114	40,522
Depreciation	141,377	143,323
Light and heat	28,560	24,019
Office expenses	58,838	17,256
Bank charges	13,672	15,719
Travel costs	10,382	8,637
Foreign exchange gains	8,532	-2,946
Staff related costs	51,279	5,297
Other costs	9,666	1,981
	<u>688,700</u>	<u>490,999</u>

Support costs are allocated to activities in the ratio of each activity's direct expenditure as this is considered to be a reasonable reflection of usage.

Governance costs include audit fees of £7,600 (2013: £7,400). Additional fees of £10,380 (2013 £1,800) were paid to the auditors for other services provided.

4. DISTRIBUTION FROM THE MARILYN MONROE LLC

A final distribution of £69,938 was received from the sale of the Marilyn Monroe LLC image rights this year.

5. INVESTMENT INCOME	2014	2013
	£	£
Income from listed investments	197,720	170,368
Interest from cash instruments	-	276
Bank interest receivable	-	1,164
	<u>197,720</u>	<u>171,808</u>

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

6. TANGIBLE FIXED ASSETS	Freehold Land £	Freehold Properties £	Furnishings and Equipment £	Total £
COST				
At 1 September 2013	850,000	1,793,854	825,272	3,469,126
Additions	5,000,000	2,603,795	148,610	7,752,405
Disposal	-	-	(1,037)	(1,037)
At 31 August 2014	<u>5,850,000</u>	<u>4,397,649</u>	<u>972,845</u>	<u>11,220,494</u>
DEPRECIATION				
At 1 September 2013	-	519,432	594,648	1,114,080
Charge for year	-	36,082	128,049	164,131
Disposals	-	-	(172)	(172)
At 31 August 2014	<u>-</u>	<u>555,514</u>	<u>722,525</u>	<u>1,278,039</u>
NET BOOK VALUE				
At 31 August 2014	<u>5,850,000</u>	<u>3,842,135</u>	<u>250,320</u>	<u>9,942,455</u>
At 31 August 2013	<u>850,000</u>	<u>1,274,422</u>	<u>230,626</u>	<u>2,355,046</u>
7. INVESTMENTS				
			2014 £	2013 £
Market value at 1 September 2013			6,959,081	6,209,466
Additions			7,615,835	2,107,051
Disposal proceeds			(9,922,360)	(1,985,059)
Net investment gains			278,046	627,623
Market value at 31 August 2014			<u>4,930,602</u>	<u>6,959,081</u>
Historical cost at 31 August 2014			<u>4,701,158</u>	<u>6,319,372</u>
Listed Investments (Market Value)				
UK fixed interest			962,175	907,551
Overseas fixed interest			927,337	381,502
UK equity shares			1,226,397	2,599,226
Overseas equities			1,428,327	2,372,882
Market value of listed investments			<u>4,544,236</u>	<u>6,261,161</u>
Cash Instruments and amounts held on deposit			386,366	690,086
Cash				7,834
Total			<u>4,930,602</u>	<u>6,959,081</u>

The investment managers, Sarasin and Ruffer invest in a wide range of investments and the Trustees regularly review performance. The investment managers are remunerated by a percentage of the value of the fund and the charge for 2014 is £54,030 (2013: £46,741). The following investments

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

8. DEBTORS	2014 £	2013 £
Other debtors	407,806	439,291
Prepayments and accrued income	599,260	459,410
	<u>1,007,066</u>	<u>898,701</u>
9. CREDITORS: Amounts falling due within one year	2014 £	2013 £
Trade creditors	445,251	473,279
Taxation and social security costs	134,406	126,973
Accruals and deferred income	1,255,198	1,116,121
Unspent grants and donations	611,082	525,336
Bank loan	71,500	-
	<u>2,517,437</u>	<u>2,241,709</u>
10. CREDITORS: Amounts falling due in more than one year	2014 £	2013 £
Bank Loan	<u>3,503,500</u>	<u>-</u>
The analysis of the bank loan is as follows:		
Due in less than one year	71,500	-
Due in 1-2 years	71,500	-
Due in 2-5 years	3,432,000	-
	<u>3,575,000</u>	<u>-</u>

A partial fixed rate commercial loan has been taken out with Barclay's bank PLC secured against 21 Maresfield Gardens NW3 5SD. One part of the loan is fixed and the other variable. The fixed part of the loan is for £1,787,500 and has a rate of 4.102% for 5 years from the 15th August 2014. The variable loan is for £1,787,500 and has a rate of 2.12% above LIBOR for 5 years from the 15th August 2014. The loan will need to be paid back or renewed on the 14th August 2020.

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

11 UNSPENT GRANTS AND DONATIONS		2014	2013
		£	£
PIP: Hostels	The Tomkins Foundation	16,702	1,972
PIP: Baby Clinic	The Winnicott Trust	-	581
EPEC	London Borough of Camden	34,180	
Early Years Parenting Unit	V&E Meyer	187,124	175,015
FACTS (BPD for family adults)	Lewis Family	33,784	-
IMPACT study	University of Cambridge	124,254	45,397
IMPACT-ME study	The Monument trust	-	12,207
Outreach services for schools	The Equitable Charitable Trust	-	1,668
Parent consultation service	Downing Street	-	6,363
Web based care clinics (DH)	Department of Health	-	34,293
Web based well-being (DfE)	Department for Education	6,344	-
Child Policy Research Unit	University College London	-	61,459
Closing the gap	The Health Foundation	21,487	23,559
Master class	Department of Health	-	10,889
Payment By Results (PBR)	Department of Health	22,439	6,387
REDIT (DIT - Trials)	Tavistock & Portman NHS Trust	105,882	78,909
U CHANGE	University College London	-	22,227
START - Multi-Systemic Therapy	University College London	6,479	6,167
START - STEPS-B	Department of Health	50,463	32,576
INET	Institute for New Economic Thinking	1,944	5,667
		<u>611,082</u>	<u>525,336</u>

Provisions have been made against grants and donations that have not be fully allocated as at the year but will be allocated over the term of the grant, and if not paid back to the funder. At this point we do not expect any monies to be paid back to funders.

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

12. STATEMENT OF FUNDS

	1 September 2013 £	Income £	Expenditure £	Net asset/ Investment Gains £	Transfers £	31 August 2014 £
UNRESTRICTED FUNDS						
General Funds	6,104,772	3,244,227	(3,627,008)	278,046	(2,177,506)	3,822,531
Designated Funds						
Fixed Asset Fund	2,220,143	-	-	-	2,177,506	4,397,649
Postgraduate Studies	346,766	1,474,785	(1,108,158)	-	-	713,393
EBPU/Service Development and Evaluation	259,003	704,838	(698,922)	-	302,360	567,279
MBT Research funds	76,069	-	(291)	-	-	75,778
CYPIAPT	90,549	-	-	-	-	90,549
Story Stems	4,000	-	-	-	-	4,000
Total designated funds	2,996,530	2,179,623	(1,807,371)	-	2,479,866	5,848,648

Fixed Asset Fund

Fixed asset fund matches reserves with fixed assets held and used directly for charitable purposes.

Postgraduate studies

When possible self-generated funds are designated for this activities development.

EBPU/Service Development and Evaluation

Service Development and Evaluation has been growing the last few years and to enable further growth funds are being designated by self-generated surpluses. The transfer of £302,360 relates to the reclassification of brought forward funds which were incorrectly disclosed as restricted in the 2013 accounts.

Mentalization Based Training (MBT) ring fenced funds

The development of mentalization based interventions and trainings are an important Centre initiative. A portion of income from all MBT trainings is designated to develop our work in this area.

CYP IAPT

The Children and Young People's (CYP) IAPT Project is a Service Transformation Project for Child and Adolescent Mental Health Services (CAMHS). The focus of CYP IAPT is on extending training to staff and service managers in CAMHS and embedding evidence based practice across services, making sure that the whole service, not just the trainee therapists, use session by session outcome monitoring. Funds are for the implementation of the training element of CYP IAPT.

Story Stems

Funds have been received for the project that will be used over a period of time.

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

12. STATEMENT OF FUNDS (Continued)

RESTRICTED FUNDS

	1 September 2013 £	Income £	Expenditure £	Net asset/ Investment Gains £	Transfers £	31 August 2014 £
Adolescent Mentalization Based Integrative Treatment (AMBIT)	-	11,171	(11,171)	-	-	-
Child Policy Research Unit	-	93,830	(56,021)	-	-	37,809
Child Psychotherapy Service	-	49,219	(49,219)	-	-	-
Clinical Services	-	8,389	(8,389)	-	-	-
DNU lab	-	23,600	(23,600)	-	-	-
EBPU general	302,360	-	-	-	(302,360)	-
Early Years Parenting Unit	47,779	468,378	(489,687)	-	-	26,470
EPEC	-	14,000	(14,000)	-	-	-
FACTS (BPD for family adults)	-	35,821	(35,821)	-	-	-
Family Support Services	-	3,640	(3,640)	-	-	-
IMPACT study	-	118,788	(118,788)	-	-	-
IMPACT-ME study	41,895	56,000	(80,631)	-	-	17,264
Emotional Finance	21,679	-	(21,679)	-	-	-
Informed Choice	-	23,462	(23,462)	-	-	-
New Beginnings	-	78,714	(20,759)	-	-	57,955
Outreach services for schools	6,571	21,375	(27,946)	-	-	-
Parent Infant Project @ AFC	-	30,700	(30,700)	-	-	-
Payment By Results (PBR)	-	213,191	(208,137)	-	-	5,054
PIP: Hostels	-	13,675	(13,675)	-	-	-
REDIT	-	32,400	(32,400)	-	-	-
Shared decision making	12,161	64,231	(72,291)	-	-	4,101
START - Multi-Systemic Therapy	-	156,563	(156,563)	-	-	-
START - STEPS-B	-	65,506	(65,506)	-	-	-
Story stem training	1,982	2,500	(4,482)	-	-	-
Toddler@AFC	-	17,473	(17,473)	-	-	-
U CHANGE	-	105,730	(105,730)	-	-	-
UCL collaborative projects	-	93,720	(93,720)	-	-	-
User participation	-	5,000	(5,000)	-	-	-
Web based care clinics (DH)	-	231,926	(196,267)	-	-	35,659
Web based well-being (DfE)	-	247,105	(247,105)	-	-	-
Building development funds	134,903	-	-	-	-	134,903
Total restricted income funds	569,330	2,286,107	(2,233,862)	-	(302,360)	319,215
Total funds	9,670,632	7,709,957	(7,668,241)	278,046	-	9,990,394

Details of major restricted funds:

The Early Years Parenting Unit (EYPU)

The Early Years Parenting Unit works with parents with personality difficulties/disorders and their children under five who are subject to a Child in Need or Child Protection plan, or who are on the edge of care. The Unit offers ongoing liaison, consultation and support to social work teams, while parents are helped to become more aware of and responsive to their children's needs which leads to a deepening of the attachment relationship and an associated decrease in social worker's level of concern for children. The Unit promotes cohesive working, leading to enhanced safeguarding and fewer delays in decision making. The transfer of £302,360 to designated funds relates to the reclassification of brought forward funds which were incorrectly disclosed as restricted in the 2013 accounts.

IMPACT-ME

IMPACT-ME is a qualitative research project seeking to explore the experience of young people suffering from depression and the recovery process out of depression. Young people and families who are receiving treatment for depression are interviewed before starting treatment, after finishing treatment and at one-year follow up. In addition, the therapists of young people are also interviewed at the post-therapy stage. The interviews explore young people's experiences of depression and receiving therapy. By including the voices of young people, parents and therapists, we can better understand how we can best support young people suffering from depression.

Impact Study

The IMPACT Study is a controlled trial which aims to assess and compare the effectiveness of three therapeutic interventions in the treatment and relapse prevention of adolescent depression: Cognitive Behavioural Therapy (CBT), Short Term Psychoanalytic Psychotherapy (STPP) and Specialist Clinical Care (SCC).

Web based care clinics IncludeMe!

This project is building an interactive portal that supports children and young people accessing Child and Adolescent Mental Health Services (CAMHS) across England. This portal uses the latest digital technology to allow some of the most vulnerable groups in society to make decisions together with their clinician about the treatment and care they receive.

Child policy research unit

The Child Policy Research Unit responds to policy requests and undertakes commissioned work to provide evidence for policy and practice with the aim of improving the health and wellbeing of children, young people and families.

Payment by results

The aim of the project is to inform the development of a system by which payment for Child and Adolescent Mental Health Services (CAMHS) can be determined according to the amount of clinical resources used by different types of children and young people who attend CAMHS, taking into consideration the kinds of outcomes they achieve.

REDIT

REDIT is designed to investigate the effectiveness of a particular type of therapy called Dynamic Interpersonal Therapy (DIT) as a treatment for depression within Improving Access to Psychological Therapies (IAPT) services.

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

U Change

The U Change project aims to understand the characteristics of the brain as it develops from a healthy adolescent brain to a healthy adult brain and the project looks at the changes the brain goes through at this stage of growth and development.

UCL Collaborative projects

This fund is to support collaborative projects undertaken by the Anna Freud Centre and University College London.

START (multi systemic therapy)

Systemic Therapy For At Risk Teens (START) is a major research study spread across nine sites in the UK investigating a form of intervention (multi systemic therapy; MST) developed in the United States for young people and their families who are experiencing difficulties at home, at school and sometimes with the law.

START–STOP–SB

START-STOP-SB investigates if a form of intervention called multi systemic therapy (MST) can help prevent children being removed from their homes, reduce conduct problems and improve the well-being of adolescents at risk of being removed from home.

Shared Decision Making

This project is developing and disseminating a range of free resources and training to child mental health professionals to help them adopt 'Shared Decision Making' (SDM). These resources are being developed with central input from service users. This project aims to empower children and young people, and their families, to play an active part in decisions about their care. It draws on evidence from published research, and has been refined in five Child and Adolescent Mental Health Services (CAMHS) across England. Resources developed will include a training manual, skills-based training events and other information materials.

Developmental Neuroscience Unit (DNU)

The Anna Freud Centre-UCL Developmental Neuroscience Unit conducts cutting-edge research in developmental psychology, combining methods derived from social science with the latest technologies and methodologies from neuroscience. The Lab represents a scientific collaboration between AFC-UCL and Yale University's Child Study Center, which is home to a sister laboratory equipped with identical facilities. The lab is led by Professor Pasco Fearon (AFC-UCL), Professor Peter Fonagy (AFC-UCL) and Professor Linda Mayes (AFC-Yale).

Building development fund

The organisation has grown over the past years, which has necessitated building developments. We have received funding to allow us to do this which included funding for an EEG laboratory to be built and equipped. Due to the nature of the funding cause which is to be spent over a long period of time, this fund is restricted to what it is meant for, the building development and laboratory, and so depreciation is being charged to it over a 25 year period for the actual building works and four years for the laboratory equipment.

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

13. STAFF COSTS AND NUMBERS	2014 £	2013 £
(a) Staff Costs		
Wages and salaries	4,264,835	3,413,219
Social security costs	421,204	333,970
Pension costs	159,668	102,626
	<u>4,845,707</u>	<u>3,849,815</u>

Staff costs include seconded and agency staff costs amounting to £109,477.
(2013 - £69,269).

Emoluments over £60,000	No.	No.
£60,001 - £70,000	3	3
£70,001 - £80,000	7	2
	<u> </u>	<u> </u>

16 further employees are employed part-time on salaries whose equivalent full time salary rates are more than £60,000 p.a. (2013: 9).

Pension contributions of £24,783 were made to those on emoluments over £60,000.

The full-time equivalent average number of employees analysed by function, was:

	2014 No.	2013 No.
Clinical and preventative services	46	24
Post graduate training	17	13
Research	48	45
Conferences and study events	5	6
Library	1	1
	<u>117</u>	<u>89</u>

(b) Trustees

No trustee received remuneration for their services during the year (2013: £Nil). Reimbursed expenses were (2013: £429).

14. CHARITABLE STATUS

The Anna Freud Centre is a charity registered under the Charities Act 1993 No. 1077106. As such the charity is entitled to take advantage of the exemptions granted by Section 505 of the Income and Corporation Taxes Act 1988.

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

15. CONNECTED PARTIES

During the year 2014 the Anna Freud Foundation Inc made payments totalling £3,891 (2013: £9,573) to The Anna Freud Centre. One of the principal objectives of the Anna Freud Foundation Inc. is raising funds in the United States for the support of The Anna Freud Centre in London. These financial statements only include direct remittances from the Foundation and do not include funds held by the Foundation.

The Family School London was set up by the Anna Freud Centre, and during the year the Anna Freud Centre provided pro-bono accounting services to the school which could not be reliably measured therefore a value has not been shown.

A trustee of the Anna Freud Centre, Professor Anton O Kris, is also a trustee of the Anna Freud Foundation Inc.

16. OPERATING LEASES

The company's commitments for rental payments due in the next 12 months under non-cancellable operating leases payable during the year to 31 August 2014 are as follows:

	2014 £	2013 £
<u>Land and buildings</u>		
Leases expiring:		
Within one year	25,000	-
Between one to two years	-	25,000
Between two to five years	-	-
	<u>25,000</u>	<u>25,000</u>

17. PENSION COMMITMENTS

The organisation makes contributions to personal pension schemes on behalf of some of its employees. Contributions in the year totalled £159,668 (2013: £102,626).

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 August 2014 are represented by:				
Tangible fixed assets	-	4,397,649	5,544,806	9,942,455
Investments	278,046	4,652,556	-	4,930,602
Long term creditors	(3,503,500)			(3,503,500)
Net current assets	7,047,985	(3,201,557)	(5,225,591)	(1,379,163)
	<u>3,822,531</u>	<u>5,848,648</u>	<u>319,215</u>	<u>9,990,394</u>

THE ANNA FREUD CENTRE

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 AUGUST 2014

19. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH INFLOW FROM RESOURCES	2014 £	2013 £
Net outgoing resources	319,762	916,125
Depreciation charges	164,131	143,066
Investment income	(197,720)	(171,808)
Unrealised investment (gains)	(278,046)	(627,623)
(Increase)/decrease in debtors	(108,366)	(266,784)
Increase in creditors	204,228	865,133
Net cash inflow from resources	<u>103,989</u>	<u>£858,109</u>

20. ANALYSIS OF CHANGES IN NET FUNDS	2014 £	2013 £
Balance at 1 September 2013	1,699,514	857,922
Net cash movement	(1,568,306)	841,591
Balance at 31 August 2014	<u>131,208</u>	<u>1,699,513</u>