

Charity registration number 1061545

Company registration number 03325809 (England and Wales)

LEARNING SPACE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

LEARNING SPACE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

T Bullen
S Edginton
L Pitt
S Nahajski
S Jenkins

Charity number

1061545

Company number

03325809

Registered office

Enterprise Court
Unit 2, 3 Mill Street
Redhill
Surrey
RH1 6PA

Auditor

Mark Middleton FCA
LB Group limited (Stratford)
Chartered Accountants
1 Vicarage Lane
Stratford
London
England
E15 4HF

Bankers

Santander
301 St Vincent Street
Glasgow
G2 5HN

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LEARNING SPACE

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

I am pleased to have joined the Board of Trustees in November 2023. Learning Space has made a unique contribution to the wellbeing of children, young people and families of Surrey for 27 years. Working with the whole board, I hope to be able to play a part in ensuring the charity is able to maximise its positive impact well into the future.


2022-2023 was the second year of our participation in the Emotional Wellbeing & Mental Health (EWMH) Alliance which, during the year, was renamed as the Mindworks Alliance. Learning Space delivered services under two separate contracts. One directly with SABP for services in the neurodiversity pathway (ND) and the other as a member The Surrey Wellbeing Partnership.

During the year, demand continued to grow and far exceeded the original commissioned volumes. The whole Alliance has been working hard to respond to this increased demand. Learning Space played its part in adapting to the emerging need whilst maintaining the quality of services and positive impact.

Learning Space's new base in Mill Street, Redhill paid dividends providing a safe and welcoming space to engage positively with children, young people and families.

Our services directly to and funded by schools continue to be an important part of Learning Space's work.

The staff have worked diligently to support as many children, young people and families as possible and credit for the many successes in the year goes to them. Learning Space co-produces Youth Voice and Parent Voice groups. These groups have developed throughout the year and play a vital role in the continuous development of Learning Space by ensuring that we respond to the voices of children, young people and families as to how they would like our services to support them. A member of the youth voice group has been involved in meetings of the board of Trustees and we continue to refine our co-production. Our thanks go to those who have been involved in the groups.



S Nahajski
Chairman

Date: 30/01/2024

LEARNING SPACE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association dated 17 February 1997, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Objects of the charity

The charity's objects are to provide training and other facilities to help young people and teenagers from the county of Surrey develop their physical and mental capabilities, so that they may grow to realise their full potential.

Public benefit

The trustees have paid due regard to the general guidance on public benefit issued by the Charity Commission in deciding what activities the charity should undertake.

The trustees are satisfied that the charity continues to meet the required public benefit test through its objectives and activities.

Activities of the charity

The charity supports projects that aim to:

- a) identify young people in Surrey, mainly in the 13 to 18 years of age range, whose relationships have broken down and whose experiences have left them with feelings of despair and alienation and no sense of purpose and fulfilment,
- b) enable these young people to meet hitherto unmet challenges in their lives by working alongside them and offering encouragement, trust and support and
- c) encourage and build on young people's strengths and abilities and enable them to realise their full potential as members of the community.

Achievements and performance

Objectives for the program of work were set in advance both in terms of the 'performance' of the work and the 'quality' of the work. Performance indicators (targets) were identified in terms of the number of referrals into the Learning Space service and the number of interventions (activities) undertaken by Learning Space with the referred children and young people. Learning Space over-performed on both these target measures. Quality indicators were identified for both goal-based outcomes measured for the improvement in the well-being of children and young people as well as "customer satisfaction" surveys on the value attached by parents to the services offered. Once again, Learning Space exceeded expectations on both these target measures.

Learning Space's excellent performance was delivered by our professional front-line practitioners, ably backed up by the small team of support staff. Underneath the headline performance figures there is huge range of innovative individual and group activity which involves staff working across many differing locations.

Financial review

The results for the year show that the charity made a surplus of £87,147 (2022 - £68,674). The reserves of the company increased from £268,071 as at 31 March 2022 to £355,218 at the year end.

The principal funding sources of the charity in the reporting period are from the NHS/Surrey County Council joint commission.

Historically, in line with the key objectives of the charity to support vulnerable children and young people, The statutory services of Health and Education use the charity sector to provide access to quality front-line delivery services. Learning Space has received such commissions for over twenty years.

LEARNING SPACE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to four months operational costs. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. As at 31 March 2023, this level of reserves has not been met as the balance in unrestricted funds at the year end is £323,307. However, the trustees expect to increase unrestricted funds or reduce operational costs in short term to meet the policy.

Plans for future periods

Learning Space continues to explore a diverse range of funding sources.

We are developing our community and grant fundraising to develop the organisation and support those in areas of greatest need.

We are continuing to develop a strategy for new sources of commissions and direct funding.

This activity is always guided by our core aim to maximise the impact Learning Space can have supporting those children, young people and families most in need.

Structure, governance and management

The charity is a company limited by guarantee and its governing document is its Memorandum and Articles of Association dated 17 February 1997 and as amended on 29 November 2000 and 25 May 2005. The charity registration number is 1061545 and the principal office of the charity is Enterprise Court, Unit 2, 3 Mill Street, Redhill, Surrey, RH1 6PA.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

T Bullen	(Appointed 21 July 2022)
C Parry	(Resigned 31 March 2023)
J Mockler	(Resigned 30 September 2023)
S Govind - Treasurer	(Resigned 8 November 2023)
S Swain Fossey	(Resigned 30 September 2023)
S Edginton	(Appointed 21 July 2022)
M Scott	(Resigned 20 July 2022)
L Pitt	(Appointed 16 November 2022)
S Nahajski	(Appointed 9 November 2023)
S Jenkins	(Appointed 8 November 2023)

Trustee selection method

Trustees are selected to complement the skills and capacity of the existing board and ensure strong governance and support for the organisation. The board has recently undertaken a skills audit and is actively recruiting Trustees.

All new trustees:

- Receive formal safeguarding of children training by the Learning Space Safeguarding Manager. This training is automatically refreshed every two years.
- Are formally vetted by DBS checks.
- Receive an informal induction into the working of the charity by the charity CEO and Chair.
- Are provided with guidance on their duties as charity trustees and company directors.
- Agree to a code of conduct.

Members' guarantee

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and each guarantees to contribute a maximum of £10 to the assets of the charity in the event of a winding up while he or she is a member or within twelve months of their ceasing to be a member.

Organisational structure

Learning Space is governed by its Board of Trustees, which during 2022-2023 met three times. Board meeting frequency has increased to approximately monthly since November 2023. The Board delegates day to day authority Chief Executive of the charity, Gill North, who manages a senior leadership team.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Auditor

In accordance with the company's articles, a resolution proposing that LB Group Limited (Stratford) be appointed as auditor of the company will be put at a General Meeting.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



S Nahajski
Chairman

30 January 2024

LEARNING SPACE

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of Learning Space for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards and the Charities Act have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board of Trustees



S Nahajski
Chairman

30 January 2024

LEARNING SPACE

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEARNING SPACE

Opinion

In our opinion the financial statements of Learning Space (the 'charity'):

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 2011.

We have audited the financial statements which comprise:

- the statement of financial activities including income and expenditure account
- the balance sheet;
- the statement of cash flows;
- the statement of accounting policies; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the charity has been given notice on two of their largest contracts which total 94% of income. As stated in note 1.2, these events indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEARNING SPACE

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the charity's industry and its control environment, and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the trustees about their own identification and assessment of the risks of irregularities, including those that are specific to the charity's business sector.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included UK Companies Act, pensions legislation and Charities Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. This included The UK Bribery Act.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address them are described below:

- Income recognition: tested donation income by inspected bank statements, performed cut-off testing; and

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEARNING SPACE

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Chair's statement and the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's statement and the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified any material misstatements in Chair's statement or the trustees' report.

Matters on which we are required to report by exception

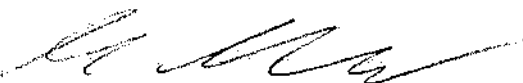
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Middleton FCA
Senior Statutory Auditor
For and on behalf of LB Group limited (Stratford)

Chartered Accountants
Statutory Auditor

30 January 2024

1 Vicarage Lane
Stratford
London
England

LEARNING SPACE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income and endowments from:</u>								
Donations and legacies	3	2,016	-	-	2,016	291	-	291
Charitable activities	4	1,114,635	-	-	1,114,635	899,806	-	899,806
Investments	5	387	-	-	387	14	-	14
Other income	6	-	-	-	-	5,329	-	5,329
Total income		<u>1,117,038</u>	<u>-</u>	<u>-</u>	<u>1,117,038</u>	<u>905,440</u>	<u>-</u>	<u>905,440</u>
<u>Expenditure on:</u>								
Charitable activities	7	<u>1,029,891</u>	<u>-</u>	<u>-</u>	<u>1,029,891</u>	<u>836,766</u>	<u>-</u>	<u>836,766</u>
Net incoming resources before transfers		87,147	-	-	87,147	68,674	-	68,674
Gross transfers between funds		<u>(43,500)</u>	<u>43,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income for the year/ Net movement in funds		43,647	43,500	-	87,147	68,674	-	68,674
Fund balances at 1 April 2022		<u>236,160</u>	<u>-</u>	<u>31,911</u>	<u>268,071</u>	<u>167,486</u>	<u>31,911</u>	<u>199,397</u>
Fund balances at 31 March 2023		<u><u>279,807</u></u>	<u><u>43,500</u></u>	<u><u>31,911</u></u>	<u><u>355,218</u></u>	<u><u>236,160</u></u>	<u><u>31,911</u></u>	<u><u>268,071</u></u>

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

All income and expenditure derive from continuing activities.

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STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 13 to 24 form part of these financial statements.

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BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	12		34,719		38,825
Current assets					
Debtors	13	17,465		68,993	
Cash at bank and in hand		337,962		187,134	
		<u>355,427</u>		<u>256,127</u>	
Creditors: amounts falling due within one year	14	<u>(34,928)</u>		<u>(26,881)</u>	
Net current assets			320,499		229,246
Total assets less current liabilities			<u>355,218</u>		<u>268,071</u>
Income funds					
Restricted funds	17		31,911		31,911
Unrestricted funds - designated			43,500		-
Unrestricted funds - general			<u>279,807</u>		<u>236,160</u>
			<u>355,218</u>		<u>268,071</u>

The notes on pages 13 to 24 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 30 January 2024



S Nahajski
Trustee

Company registration number 03325809

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	£	2023 £	£	2022 £
Cash flows from operating activities					
Cash generated from operations	23		156,827		22,525
Investing activities					
Purchase of tangible fixed assets		(6,386)		(29,513)	
Investment income received		387		14	
Net cash used in investing activities			(5,999)		(29,499)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			150,828		(6,974)
Cash and cash equivalents at beginning of year			187,134		194,108
Cash and cash equivalents at end of year			337,962		187,134

The notes on pages 13 to 24 form part of these financial statements.

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Learning Space is a private company limited by guarantee incorporated in England and Wales. The registered office is Enterprise Court, Unit 2, 3 Mill Street, Redhill, Surrey, RH1 6PA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association dated 17 February 1997 (as amended 29 November 2000 and 25 May 2005), the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

The charity has been given notice on two of their largest contracts which total 94% of income. The charity is currently looking to extend these contracts under notice and for other sources of income. If the two contracts under notice are lost then the Trustees consider that the charity will be able to downsize its costs in line with the lost income whilst it pursues other strategies to generate income. Whilst the Trustees expect to be able to find alternative sources of income this is not certain at this point in time.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used.

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.

The following specific policies are applied to particular categories of income:

Donations and similar incoming resources are only included in the Statement of Financial Activities when the charity has unconditional entitlement to the resources.

Investment income is included in the accounts when receivable.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

When incoming resources have related expenditure, the incoming resources and related expenditure are reported gross in the Statement of Financial Activities.

1.5 Expenditure

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

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

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:

Leasehold improvements	over the life of the lease
Computers & office equipment	25% 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 the statement of financial activities.

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.

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors 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 Employee benefits

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

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

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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.

Critical accounting judgement and key sources of estimation uncertainty:

The trustees have concluded there are no critical accounting judgement and key sources of estimation uncertainty to disclose.

3 Donations and legacies

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Donations and gifts	2,016	291

4 Charitable activities

	School Service Agreements 2023 £	CAMHS fees 2023 £	Room hire 2023 £	Total 2023 £	Total 2022 £
Counselling services	64,327	1,049,948	360	1,114,635	899,806

For the year ended 31 March 2022

	School Service Agreements £	CAMHS fees £	SWP fees £	SCC fees £	CYP IAPT fees £	Total 2022 £
Counselling services	74,217	762,619	11,500	10,000	41,470	899,806
Analysis by fund						
Unrestricted funds - general	74,217	762,619	11,500	10,000	41,470	899,806

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	387	14

6 Other income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Job Retention Scheme grants	-	5,329

7 Charitable activities

	Direct costs 2023 £	Management 2023 £	Information technology 2023 £	Governance costs 2023 £	Total 2023 £	Total 2022 £
Staff costs	827,377	-	-	-	827,377	703,063
Counselling costs	18,340	-	-	-	18,340	23,323
	845,717	-	-	-	845,717	726,386
Share of support costs (see note 8)	-	119,156	30,278	-	149,434	102,588
Share of governance costs (see note 8)	31,500	-	-	3,240	34,740	7,792
	877,217	119,156	30,278	3,240	1,029,891	836,766

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

(Continued)

For the year ended 31 March 2022

	Direct costs	Management	Information technology	Governance costs	Total 2022
	£	£	£	£	£
Staff costs	703,063	-	-	-	703,063
Counselling costs	23,323	-	-	-	23,323
	<u>726,386</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>726,386</u>
Share of support costs (see note 8)	-	80,668	21,920	-	102,588
Share of governance costs (see note 8)	-	-	-	7,792	7,792
	<u>726,386</u>	<u>80,668</u>	<u>21,920</u>	<u>7,792</u>	<u>836,766</u>
Analysis by fund					
Unrestricted funds - general	<u>726,386</u>	<u>80,668</u>	<u>21,920</u>	<u>7,792</u>	<u>836,766</u>

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Depreciation	10,492	-	10,492	9,922	-	9,922
Rent	57,655	-	57,655	26,649	-	26,649
Insurance	2,356	-	2,356	2,176	-	2,176
Training and subscriptions	3,880	-	3,880	8,497	-	8,497
Telephone	4,288	-	4,288	4,086	-	4,086
Recruitment	4,509	-	4,509	8,664	-	8,664
Travel expenses	10,573	-	10,573	8,640	-	8,640
Light and heat	17,036	-	17,036	4,774	-	4,774
Rates	6,207	-	6,207	5,448	-	5,448
Accounts preparation	2,160	-	2,160	1,812	-	1,812
IT support	30,278	-	30,278	21,920	-	21,920
Audit/Independent Examiner's fee	-	3,240	3,240	-	840	840
Trustee's fees - bookkeeping	-	31,500	31,500	-	6,952	6,952
	<u>149,434</u>	<u>34,740</u>	<u>184,174</u>	<u>102,588</u>	<u>7,792</u>	<u>110,380</u>
Analysed as						
Charitable activities	<u>149,434</u>	<u>34,740</u>	<u>184,174</u>	<u>102,588</u>	<u>7,792</u>	<u>110,380</u>

Accounts preparation includes fees payable to the Auditor/Independent Examiner for the preparation of the statutory accounts of £nil (2022 - £1,560).

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9	Net movement in funds	2023 £	2022 £
	Net movement in funds is stated after charging/(crediting)		
	Depreciation of owned tangible fixed assets	10,492	9,922

10 Trustees

The following trustees received remuneration from the charity during the year:

Senel Govind - bookkeeping and HR services	£31,500 (2022 - £6,952)
Lesley Pitt - support services	£8,933 (2022 - £nil)

Gill North, spouse of Tim Bullen, a trustee, was paid wages of £57,333 (2022 - £54,600) for management of the charity.

No other trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

No trustees' expenses were paid during the year, nor during the previous year.

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	29	30

Employment costs	2023 £	2022 £
Wages and salaries	743,599	644,652
Social security costs	68,836	47,317
Other pension costs	14,942	11,094
	827,377	703,063

Remuneration and benefit of key management personnel are disclosed on note 10.

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

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

	Leasehold improvements	Computers & office equipment	Total
	£	£	£
Cost			
At 1 April 2022	28,961	31,231	60,192
Additions	5,695	691	6,386
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	34,656	31,922	66,578
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 1 April 2022	4,139	17,228	21,367
Depreciation charged in the year	4,953	5,539	10,492
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	9,092	22,767	31,859
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 March 2023	25,564	9,155	34,719
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2022	24,822	14,003	38,825
	<u> </u>	<u> </u>	<u> </u>

13 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	-	35,299
Other debtors	7,350	3,185
Prepayments and accrued income	10,115	30,509
	<u> </u>	<u> </u>
	17,465	68,993
	<u> </u>	<u> </u>

14 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Other taxation and social security		-	2,333
Deferred income	15	12,012	7,276
Trade creditors		14,595	9,983
Other creditors		2,813	2,505
Accruals		5,508	4,784
		<u> </u>	<u> </u>
		34,928	26,881
		<u> </u>	<u> </u>

15 Deferred income

	2023	2022
	£	£
Arising from Fees received in advance	12,012	7,276
	<u> </u>	<u> </u>

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Deferred income

(Continued)

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	12,012	7,276
Movements in the year:		
Deferred income at 1 April 2022	7,276	20,417
Released from previous periods	(7,276)	(20,417)
Resources deferred in the year	12,012	7,276
Deferred income at 31 March 2023	12,012	7,276

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £14,942 (2022 - £11,094).

17 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		Movement in funds		
	Balance at 1 April 2021	Incoming resources	Balance at 1 April 2022	Incoming resources	Balance at 31 March 2023
	£	£	£	£	£
Cash at bank	31,911	-	31,911	-	31,911

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Incoming resources	Balance at 1 April 2022	Transfers	Balance at 31 March 2023
	£	£	£	£
Replacement equipment provision	-	-	10,000	10,000
Dilapidation exit costs	-	-	8,000	8,000
Staff costs provision	-	-	25,500	25,500
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	43,500	43,500
	<hr/>	<hr/>	<hr/>	<hr/>

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:							
Tangible assets	34,719	-	-	34,719	38,825	-	38,825
Current assets	245,088	43,500	31,911	320,499	197,335	31,911	229,246
	<u>279,807</u>	<u>43,500</u>	<u>31,911</u>	<u>355,218</u>	<u>236,160</u>	<u>31,911</u>	<u>268,071</u>

LEARNING SPACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	36,000	12,500
Between two and five years	131,500	50,000
In over five years	13,708	18,750
	<u>181,208</u>	<u>81,250</u>

21 Events after the reporting date

In April 2023 Learning Space was given 1 year's notice on one of its contracts, and in August 2023 Learning Space was given 1 year's notice on its largest contract. Combined these represent 94% of their total income in the year end 31 March 2023.

Since November 2023, Learning Space has restarted constructive dialogue regarding both contracts to mitigate risks with the current situation.

22 Related party transactions

There were no disclosable related party transactions during the year, rather than those disclosed in note 10. (2022 - none).

23 Cash generated from operations

	2023 £	2022 £
Surplus for the year	87,147	68,674
Adjustments for:		
Investment income recognised in statement of financial activities	(387)	(14)
Depreciation and impairment of tangible fixed assets	10,492	9,922
Movements in working capital:		
Decrease/(increase) in debtors	51,528	(20,466)
Increase/(decrease) in creditors	3,311	(18,695)
Increase/(decrease) in deferred income	4,736	(16,896)
Cash generated from operations	<u>156,827</u>	<u>22,525</u>