

Charity Registration No. 1092152

Company Registration No. 04158590 (England and Wales)

INAURA SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



INAURA SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Sara Clay Mrs Julia Gibbs Mrs Tessa Munt Mr Andrew Warner Mrs Amanda Hannah	(Appointed 1 November 2021)
	Mr A Bradley	(Appointed 1 November 2021)
Charity number	1092152	
Company number	04158590	
Registered office	Moor View Burrowbridge Bridgwater Somerset United Kingdom TA7 0RB	
Auditor	Lentells Limited Ash House Cook Way Bindon Road Taunton Somerset TA2 6BJ	

INAURA SCHOOL

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INAURA SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charitable company's memorandum and articles of association, 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

Inaura School is an independent, co-educational SEND school for pupils who have complex educational, social, emotional and mental health needs.

The school has three education learning bases located in the county of Somerset. We provide student educational day placements for Somerset local authority and the surrounding local authorities including Bath and Northeast Somerset, Bristol, Dorset, North Somerset and Gloucestershire. Our Key Stage 2-3 learning centre is located in Wedmore while our Outdoor Learning Centre and Forest School are located nearby in the Westhay Moor Nature Reserve. Our Key Stage 3, 4 and 5 learning base is located in Burrowbridge and we are actively seeking to acquire another Key Stage 3, 4 and 5 site in the region.

All of our students have Education Health and Care Plans and are placed with us through their local authority SEND departments. We work with students who have encountered challenges in mainstream, pupil referral units and other special school settings. Many of our students have experienced failure in multiple educational settings. That is why we do things a little differently.

Our approach encompasses a relational and non-coercive philosophy for teaching and learning. This philosophy focuses on building trust and systematically removing the barriers that pupils encountered in their previous learning journeys.

The aim of Inaura School is to:

- Re-engage our pupils in education
- Facilitate experiences of success
- Raise self-esteem
- Raise self-awareness
- Enable our young people to realise independence in their own life

Our philosophy is rooted in the belief that every individual will learn when presented with the right conditions. Our goal is to help students enjoy learning again. This 360-degree learner-centred approach focuses on the **Head, Heart, Hands and Home**.

Head - Promoting academic learning and the gaining of qualifications to enable choice and social mobility.

Heart - Promoting emotional resilience, relationship building, higher self-esteem and self-awareness to facilitate experiences of success.

Hands- Promoting hands on activities that are flexible, practical and proactive rather than 'sit and get' lecture style learning.

Home- Promoting quality home/school relationships through effective communication and collaboration with parent/carers that closes the loop between the expectations of home and school.

INAURA SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Our Ethos

The school ethos is based on compassion, equality, openness and honesty. Inaura's highest priority is to keep our students safe, healthy, happy and inspire them to overcome personal obstacles that prevent them from learning.

What we believe at Inaura School

We believe all young people are able and genuinely want to learn. This will only occur if we remove the barriers that are holding them back from engaging with school and assist them in overcoming past, present and future challenges. We will never enable learnt helplessness. We will empower students to learn the skills that will enable them to confront life's obstacles with confidence, poise and resilience.

In+aura - Our name means 'radiance piercing the darkness within'.

The school's objectives are:

- Improve the reputation of the school as a leader in innovative teaching and learning for SEND/SEMH students
- Build partnerships with other SEND/SEMH schools in the region
- Improve the school's public profile while marketing the school's unique selling points
- Build partnerships with various philanthropical organizations and trusts willing to support the school's continued growth while providing additional financial stability

The Relational Approach

When using the relational approach, we look for opportunities to create positive conditions allowing us to invite the student (without coercion or conditional statements) to do what we are asking them to do. The challenging situation provides a way to build stronger relationships through trust and understanding. We want students to be safe, have fun and engage in their learning. Sometimes we will not be able to give students what they want but we work very hard to ensure that we give them what they need.

How does Inaura School do this?

- Using non-coercive techniques
- Applying restorative justice approaches
- Building relationships that encourage change and enable personal empowerment
- Reiterating the mantra – Be safe; Have fun; Engage in your learning

We believe that this approach combined with our 1:1 student to teacher ratio and small group settings are what make Inaura unique amongst other schools working with SEND/SEMH young people who would otherwise be disengaged from the learning process.

Achievements and performance

Financial review

The school business is viable and independent professionals have approved our financial management plans.

The school has made a surplus this year of £15,773 and has met all the annual budget figures. The school no longer needs to secure short-term loans to assist with the cash flow difficulties that occurred previously and has successfully mitigated those periods.

The school has continued to take enormous steps to consolidate the overall performance registered on the 14th to 16th January 2020 Ofsted inspection where the school was rated as **Good**.

We recently decommissioned our East Huntspill site and have been actively searching for a new location that would allow us to expand capacity while upgrading our facility and offerings to the students. We have placed a bid on a suitable location and await the results to see if we are successful.

INAURA SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Principal funding sources

All income this year has come from local authority referrals to the school. Services have been provided to five local authorities this year, but the majority of referrals come from Bath and North East Somerset, North Somerset, Somerset, Bristol and Gloucester Councils. We will continue to promote our school to other local authorities.

Fundraising

The school was successful in receiving grant funding to assist with moving and developing a new school premises in Wedmore to the sum of £25,000. We are seeking to apply for further funding for the Outdoor Learning Centre and Forest School provision in 2022 and 2023.

Investment and reserves policy

The school continues to be remunerated on a four-month cycle in advance, so there is a 'dynamic reserve', which reduces to a minimum every four months. We will need to continue to apply our risk management policy to our premises portfolio and staffing levels each year. The school has opened a business savings account with the Nationwide Building Society where all reserves will be held.

Principal risks and uncertainties

The trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Governing document

Inaura School is a company limited by guarantee and a registered charity number 1092152. It was incorporated on 12 February 2001 and its memorandum and articles of association have been amended by special resolutions dated 11 May 2002, 3 March 2007, 28 February 2009, 23 June 2020 and 8 October 2020. The company was registered as a charity on 22 May 2002.

Signatories to the memorandum and articles are liable up to a maximum of £10 in the event of dissolution.

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:

Mrs Sara Clay

Mrs Julia Gibbs

Mrs Tessa Munt

Mr Andrew Warner

Mrs Amanda Hannah

Mr A Bradley

(Appointed 1 November 2021)

(Appointed 1 November 2021)

INAURA SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Recruitment and appointment of new trustees 2021-2022

Inaura's Trustees are all directors of the company limited by guarantee. In accordance with its articles of association two Trustees resign each year in rotation and for the last five years have been re-elected immediately. Inaura has benefited from a loyal and committed Trustee group. Trustees give their time voluntarily and no expenses were claimed during the year. The trustees have had due regard to the Charity Commission's guidance on public benefit.

The Trustees are all professionals with substantial experience in business, therapeutic, social and educational work. Trustees meet for a regular termly meeting, with a fourth optional meeting on a floating date to coincide with an annual Charity public event. This appears to be a successful model and will be continued.

Board of Governors

The board of governors are responsible for working with the school to ensure that it delivers the best possible education for present and future pupils. This includes best practice in appointing and managing staff as well as ensuring that child protection and safeguarding remain the school's first priority. Together with the Head Teacher, who is responsible for the day-to-day management, they set the school's aims, policies and the overall strategy. The board of governors are responsible for ensuring the efficient and effective monitoring of the school's finances. The board meets six times per year. Since 2017, the school has appointed six new governors and four governors have resigned.

Organisational structure for 2021-2022

The school has a Head Teacher and Deputy Head Teacher who report to the Board of Governors. The school's senior leadership team consists of the Head Teacher, Deputy Head Teacher, Designated Safeguarding Lead, SENDCo, Business Manager and Curriculum Lead.

The school has four middle level manager/teachers, four administrators, a finance assistant, three specialist teachers, a literacy tutor, a music therapist, sensory integration therapist and twenty-four learning support workers and ancillary staff.

Trustees recognise that as the school develops, their responsibilities need to be fully understood and enacted and make use of the Charity Commission's extensive guide booklets and the Department for Education's Governance Handbook to reference the correct approach to any unfamiliar governance issues. The school is a member of the The Key for Governors who provide information, advice, guidance, research and training for governing boards.

Auditor

In accordance with the company's articles, a resolution proposing that Lentells Limited be reappointed as auditor of the company will be put at a General Meeting.

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



Andrew Warner
Signed on 18/05/22 @ 10:23

Mr Andrew Warner

Trustee

Date:

INAURA SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also the directors of Inaura School 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 charitable company 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 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.

INAURA SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF INAURA SCHOOL

Opinion

We have audited the financial statements of Inaura School (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INAURA SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF INAURA SCHOOL

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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.

INAURA SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF INAURA SCHOOL

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the industry/sector in which it operates to identify the key laws and regulations affecting the entity. As part of this assessment process we discussed with management the laws and regulations applicable to the company, review other communications and considered findings from previous audits.

The key laws and regulations we identified were the Health and Safety at Work, Data Protection and the Childrens' Act.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily Companies Act 2006 and relevant UK tax law.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place.

We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deal with reporting any issues if they arise.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue trading and the risk of material misstatement to the financial statements.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance; and
- Review of board minutes

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which management confirmed there had been none during or after the period.

We also evaluated the risk of fraud through management override. They key risks we identified were related to cut-off in respect of revenue recognition.

In response to the identified risk, as part of our audit work we:

- Review journal entries throughout the year, for accuracy and appropriateness;
- Reviewed estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates;
- Undertook specific cut-off procedures in respect of revenue recognition.

Given the inherent limitations of an audit, the more remote the non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the greater the risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements, as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

INAURA SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF INAURA SCHOOL

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

P A Stallard FCA (Senior Statutory Auditor)
for and on behalf of Lentells Limited

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Chartered Certified Accountants
Statutory Auditor

Ash House
Cook Way
Bindon Road
Taunton
Somerset
TA2 6BJ

Lentells Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

INAURA SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations and grants	3	-	31,240	31,240	-	3,960	3,960
Charitable activities	4	1,566,749	-	1,566,749	1,569,816	-	1,569,816
Total income		1,566,749	31,240	1,597,989	1,569,816	3,960	1,573,776
<u>Expenditure on:</u>							
<u>Charitable activities</u>							
Education	5	1,553,256	28,960	1,582,216	1,467,121	-	1,467,121
Total charitable expenditure		1,553,256	28,960	1,582,216	1,467,121	-	1,467,121
Net income for the year/ Net movement in funds		13,493	2,280	15,773	102,695	3,960	106,655
Fund balances at 1 September 2020		35,954	3,960	39,914	(66,741)	-	(66,741)
Fund balances at 31 August 2021		49,447	6,240	55,687	35,954	3,960	39,914

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

All income and expenditure derive from continuing activities.

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

INAURA SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		12,179		12,038
Current assets					
Debtors	10	35,973		61,442	
Cash at bank and in hand		610,885		538,356	
		<u>646,858</u>		<u>599,798</u>	
Creditors: amounts falling due within one year	11	<u>(50,872)</u>		<u>(64,591)</u>	
Net current assets			595,986		535,207
Total assets less current liabilities			608,165		547,245
Deferred income	12		(552,478)		(507,331)
Net assets			<u>55,687</u>		<u>39,914</u>
Income funds					
Restricted funds	13		6,240		3,960
Unrestricted funds			49,447		35,954
			<u>55,687</u>		<u>39,914</u>

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 August 2021, 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.

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



Andrew Warner
Signed on 18/05/22 @ 10:23

Mr Andrew Warner
Trustee

Company Registration No. 04158590

INAURA SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	17		81,569		263,686
Investing activities					
Purchase of tangible fixed assets		(9,040)		(7,062)	
Net cash used in investing activities			(9,040)		(7,062)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			72,529		256,624
Cash and cash equivalents at beginning of year			538,356		281,732
Cash and cash equivalents at end of year			610,885		538,356

INAURA SCHOOL

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Critical accounting estimates and judgements

In the application of the charitable company'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.

2 Accounting policies

Charity information

Inaura School is a private company limited by guarantee incorporated in England and Wales. The registered office is Moor View, Burrowbridge, Bridgwater, Somerset, TA7 0RB, United Kingdom.

2.1 Accounting convention

The financial statements have been prepared in accordance with, 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)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

2.2 Going concern

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

2.3 Charitable funds

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

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

2.4 Income

Income is recognised when the charitable company 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.

INAURA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

2 Accounting policies

(Continued)

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.

2.5 Intangible fixed assets other than goodwill

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

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

Software	5 years
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2.6 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 period of lease
Plant and equipment	33% on straight line basis and 20% on straight line basis
Fixtures and fittings	20% on straight line basis

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.

2.7 Impairment of fixed assets

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

2.8 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.

INAURA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Accounting policies

(Continued)

2.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

2.10 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.11 Retirement benefits

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

INAURA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

3 Donations and grants

	Restricted funds	Restricted funds
	2021	2020
	£	£
Grant income	31,240	3,960

4 Charitable activities

	Education 2021	Education 2020
	£	£
Services provided under contract	1,566,749	1,569,816

5 Charitable activities

	Education 2021	Education 2020
	£	£
Staff costs	1,247,168	1,167,609
Student therapy	6,009	1,222
Student activities	14,497	9,704
Telephone	12,704	12,655
Books and journals	1,739	459
Consultant and practitioner fees	2,598	5,836
Licences and registrations	4,792	4,893
	<u>1,289,507</u>	<u>1,202,378</u>
Share of support costs (see note 6)	279,016	244,175
Share of governance costs (see note 6)	13,693	20,568
	<u>1,582,216</u>	<u>1,467,121</u>
Analysis by fund		
Unrestricted funds	1,553,256	1,467,121
Restricted funds	28,960	-
	<u>1,582,216</u>	<u>1,467,121</u>

INAURA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Research and training	9,157	-	9,157	8,878	-	8,878
Finance costs	346	-	346	397	-	397
Motor and travel	35,460	-	35,460	42,475	-	42,475
Premises costs	172,351	-	172,351	137,950	-	137,950
Office costs	61,702	-	61,702	54,475	-	54,475
Audit fees	-	10,100	10,100	-	6,958	6,958
Legal and professional	-	3,208	3,208	-	12,893	12,893
DBS fees	-	385	385	-	717	717
	<u>279,016</u>	<u>13,693</u>	<u>292,709</u>	<u>244,175</u>	<u>20,568</u>	<u>264,743</u>
Analysed between Charitable activities	<u>279,016</u>	<u>13,693</u>	<u>292,709</u>	<u>244,175</u>	<u>20,568</u>	<u>264,743</u>

Governance costs includes payments to the auditors of £10,100 (2020- £6,958) for audit fees.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Education	<u>48</u>	<u>46</u>
Employment costs	2021 £	2020 £
Wages and salaries	1,131,140	1,058,921
Social security costs	86,509	86,767
Other pension costs	21,440	20,981
	<u>1,239,089</u>	<u>1,166,669</u>

INAURA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£60,000 to £70,000	-	1
£70,001 to £80,000	1	-
	<u> </u>	<u> </u>

9 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 September 2020	54,922	31,384	15,451	101,757
Additions	-	9,040	-	9,040
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	54,922	40,424	15,451	110,797
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment				
At 1 September 2020	48,700	25,568	15,451	89,719
Depreciation charged in the year	2,484	6,415	-	8,899
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	51,184	31,983	15,451	98,618
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount				
At 31 August 2021	3,738	8,441	-	12,179
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2020	6,222	5,816	-	12,038
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	18,821	53,996
Prepayments and accrued income	17,152	7,446
	<u> </u>	<u> </u>
	35,973	61,442
	<u> </u>	<u> </u>

INAURA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

11 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		27,980	26,955
Deferred income	12	-	25,000
Trade creditors		12,669	4,288
Accruals and deferred income		10,223	8,348
		<u>50,872</u>	<u>64,591</u>

12 Deferred income

	2021 £	2020 £
Deferred grant income	-	25,000
Deferred tuition income	552,478	507,331
	<u>552,478</u>	<u>532,331</u>

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Current liabilities	-	25,000
Shown as deferred income on the face of the balance sheet	552,478	507,331
	<u>552,478</u>	<u>532,331</u>

Tuition fees are invoiced and received by Inaura School in advance of the term to which they relate.

INAURA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Restricted funds

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

	Movement in funds		Movement in funds		
	Balance at 1 September 2019	Incoming resources	Balance at 1 September 2020	Incoming resources	Resources expended
	£	£	£	£	£
North Somerset Council - Pension grant	-	3,960	3,960	-	(3,960)
Poolbridge Grant	-	-	-	25,000	(25,000)
Covid Catch up grants	-	-	-	6,240	-
	-	3,960	3,960	31,240	(28,960)

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 August 2021 are represented by:						
Tangible assets	12,179	-	12,179	12,038	-	12,038
Current assets/ (liabilities)	583,506	6,240	595,986	531,247	3,960	535,207
Provisions and deferred income	(552,478)	-	(552,478)	(507,331)	-	(507,331)
	43,207	6,240	55,687	35,954	3,960	39,914

15 Operating lease commitments

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

	2021	2020
	£	£
Within one year	61,992	57,626
Between two and five years	245,077	244,754
In over five years	128,892	190,350
	435,961	492,730

Total lease payments made in the year in respect of land and buildings amounted to £89,379 (2020: £89,154)

INAURA SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

15 Operating lease commitments

(Continued)

16 Related party transactions

There were no disclosable related party transactions during the year (2020 - £Nil).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	272,768	253,182
	<u>272,768</u>	<u>253,182</u>
17 Cash generated from operations	2021 £	2020 £
Surplus for the year	15,773	106,655
Adjustments for:		
Depreciation and impairment of tangible fixed assets	8,899	14,756
Movements in working capital:		
Decrease in debtors	25,469	45,871
Increase/(decrease) in creditors	11,281	(2,969)
Increase in deferred income	20,147	99,373
	<u>81,569</u>	<u>263,686</u>
Cash generated from operations	81,569	263,686