

THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

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**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees	Judith Keene Julia Wolff Debbie Austin Helen Attree, Chair Angie Farmer Barry Austin John Lucas
Company registered number	6362939
Charity registered number	1122536
Registered office	Unit 2 Hanley Workshops Hanley Road Hanley Swan Worcester WR8 0DX
Independent auditors	Bishop Fleming LLP Chartered Accountants 1-3 College Yard Worcester WR1 2LB

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

Objectives and activities

a. Policies and objectives

The school's objectives of making learning available to children and young people for whom the mainstream education system does not work remains strong. The school continues to offer a range of therapeutic and recreational activities that promotes pupils' ability to engage socially and to prepare for fulfilling independent adult lives.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

In ensuring the objectives are met, the Trustees operate a rigorous process of target setting and accountability. The school improvement plan and business plan focus on improving access and safety for all pupils, and the wellbeing and development of staff.

c. Activities undertaken to achieve objectives

The Trustees maintain ongoing tracking of progress towards financial and academic priorities, which are reviewed according to an annual programme of scrutiny and review.

Achievements and performance

a. Main achievements of the Company

The Main school site in Hanley Swan has continued to develop over the last year. Student numbers have been stable and the school has reached the point where it is at capacity. The school has continued to broaden the range of opportunities available to students and this has included additional support services. 100% of young people made a positive progression into work or further training.

b. Review of activities

The 16-19 provision, the Bridge Business Centre has continued to be successful and is at capacity. The majority of our young people successfully progressed into work or further training. This was despite the backdrop of Covid and many employees not being able to take work experience placements or trainees.

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

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

Financial review

a. Financial Review

The Bridge Education Centre's total income for the year was £1,473,780 (2019: £968,288) and total expenditure was £1,210,408 (2019: £956,840). The Project showed a surplus for the year of £263,382 (2019: £11,448). A breakdown between unrestricted and restricted is shown in the accounts.

b. Going concern

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

c. Reserves policy

The Bridge Education Centre Malvern Hills aims to have at least one school term of grant turnover in reserves, which based on the current ear is £475,000. There has been progress towards reaching this over this year, with year end free reserves of £541,916.

d. Principal risks and uncertainties

The Trustees have reviewed the major risks to which the school is exposed. The principle risks facing the school are as follows:

-Strategic and reputational risks - Potential failure to effectively manage the Charity's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. Trustees also ensure that pupil success and achievement are closely monitored and reviewed in order to maintain the current high level of pupil referrals.

-Operational risks - The School's success is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff. The trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of safeguarding policies and procedures, health and safety and discipline.

-Compliance risks - the School has robust internal financial management procedures and appoints external professionals to oversee financial rigour and compliance.

-Financial risks - 100% of funding comes from two local authorities. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Whilst the school is oversubscribed, risks to revenue funding from a falling roll are small. However, the possible reduction or freeze on Government's overall education budget, potential changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets need to be constantly scrutinized.

e. Financial risk management objectives and policies

A risk register is maintained, in the form of an Internal Financial Control Checklist.

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

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

Structure, governance and management

a. Constitution

The Bridge Education Centre, Malvern Hills is registered as a charitable company limited by guarantee and was set up by a Trust deed.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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

Helen Attree
Chair
Date:

Helen Attree
5.11.21

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE EDUCATION CENTRE,
MALVERN HILLS**

OPINION

We have audited the financial statements of The Bridge Education Centre, Malvern Hills (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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).

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 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE EDUCATION CENTRE,
MALVERN HILLS (CONTINUED)**

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

OPINION 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE EDUCATION CENTRE,
MALVERN HILLS (CONTINUED)**

AUDITORS' 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 Auditors' 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

OTHER MATTERS

It should be brought to the user's attention that the prior year financial statements were unaudited. An independent examination was undertaken in the prior year as was required based on the income that the Charity received in the year.

USE OF OUR REPORT

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

Andrew Wood FCCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date:

THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Income from:					
Donations and legacies	3	330	26,978	27,308	25,541
Charitable activities	4	1,432,333	-	1,432,333	926,005
Other trading activities	5	13,880	-	13,880	16,741
Investments	6	269	-	269	1
Total income		1,446,812	26,978	1,473,790	968,288
Expenditure on:					
Raising funds		9,312	-	9,312	4,004
Charitable activities	7	1,174,118	26,978	1,201,096	952,836
Total expenditure		1,183,430	26,978	1,210,408	956,840
Net movement in funds		263,382	-	263,382	11,448
Reconciliation of funds:					
Total funds brought forward		278,534	-	278,534	267,086
Net movement in funds		263,382	-	263,382	11,448
Total funds carried forward		541,916	-	541,916	278,534

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

The notes on pages 11 to 24 form part of these financial statements.

THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:6362939

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Tangible assets	12	171,980	186,396
		<u>171,980</u>	<u>186,396</u>
Current assets			
Debtors	13	7,864	24,193
Cash at bank and in hand		415,197	368,552
		<u>423,061</u>	<u>392,745</u>
Creditors: amounts falling due within one year	14	(53,125)	(300,607)
Net current assets		<u>369,936</u>	<u>92,138</u>
Total assets less current liabilities		<u>541,916</u>	<u>278,534</u>
Net assets excluding pension asset		<u>541,916</u>	<u>278,534</u>
Total net assets		<u><u>541,916</u></u>	<u><u>278,534</u></u>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	541,916	278,534
Total funds		<u><u>541,916</u></u>	<u><u>278,534</u></u>

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

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

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

Helen Attree
Chair
Date:

Helen Attree
5.11.21

The notes on pages 11 to 24 form part of these financial statements.

THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	50,687	287,257
Cash flows from investing activities		
Interest received	(269)	(1)
Purchase of tangible fixed assets	(3,773)	(17,483)
Net cash used in investing activities	(4,042)	(17,484)
Change in cash and cash equivalents in the year	46,645	269,773
Cash and cash equivalents at the beginning of the year	368,552	98,779
Cash and cash equivalents at the end of the year	415,197	368,552

The notes on pages 11 to 24 form part of these financial statements

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

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

1. GENERAL INFORMATION

The Bridge Education Centre, is a charitable company registered in England and Wales. Company number, 6362939 and charity number 1122536. The registered office is Unit 2 Hanley Workshops, Hanley Road, Hanley Swan, Worcester, WR8 0DX.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Bridge Education Centre, Malvern Hills meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

The Trustees' expectation considers the fact that the current Coronavirus (COVID-19) pandemic has had a widespread impact on the economy. The Board continue to monitor the impacts of the pandemic and Government pronouncements during these unprecedented times.

The financial statements do not reflect the adjustments that would be necessary should entity cease to remain as a going concern.

2.3 INCOME

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE (CONTINUED)

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Leasehold Building	- 2% Straight-line
Improvements	
Plant and machinery	- 5-20% Straight-Line
Fixtures and fittings	- 10% Straight-line
Computer equipment	- 25% Straight-line
Cabins and Units	- 5-10% Straight-Line

2.7 DEBTORS

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

2.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

2. ACCOUNTING POLICIES (continued)

2.9 LIABILITIES AND PROVISIONS

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

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

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

2.10 FINANCIAL INSTRUMENTS

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

2.11 PENSIONS

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.12 FUND ACCOUNTING

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Grants	330	26,978	27,308	25,541
TOTAL 2019	150	25,391	25,541	

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

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

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from charitable activities - Student Fees	1,432,333	1,432,333	926,005
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2019	926,005	926,005	
	<u> </u>	<u> </u>	

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising	11,846	11,846	13,033
Shop Sales	2,034	2,034	2,908
Sale of Asset	-	-	800
	<u> </u>	<u> </u>	<u> </u>
	13,880	13,880	16,741
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2019	16,741	16,741	
	<u> </u>	<u> </u>	

6. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank Interest	269	269	1
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2019	1	1	
	<u> </u>	<u> </u>	

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

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

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Student Fees	1,174,118	26,978	1,201,096	952,836
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL 2019	927,445	25,391	952,836	
	<u> </u>	<u> </u>	<u> </u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Student Fees	1,158,050	43,046	1,201,096	952,836
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL 2019	924,628	28,208	952,836	
	<u> </u>	<u> </u>	<u> </u>	

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
(A COMPANY LIMITED BY GUARANTEE)**

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Student Fees 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	892,279	892,279	677,647
Depreciation	8,996	8,996	10,710
Staff Training	4,839	4,839	13,088
Teaching expenses	112,586	112,586	91,199
Consumables	1,594	1,594	7,107
Rent, Rates and Utilities	62,939	62,939	48,664
Building/site maintenance and development	46,134	46,134	63,898
Examination Fees	13,233	13,233	4,286
Vehicle Expenses/Staff Mileage	13,242	13,242	5,184
Animal Care	2,208	2,208	2,845
	<u>1,158,050</u>	<u>1,158,050</u>	<u>924,628</u>
TOTAL 2019	<u>924,628</u>	<u>924,628</u>	

ANALYSIS OF SUPPORT COSTS

	Student Fees 2020 £	Total funds 2020 £	Total funds 2019 £
Depreciation	3,382	3,382	2,038
Office Expenses	26,052	26,052	21,606
Audit Fees	7,800	7,800	-
Loss on Disposals	5,812	5,812	-
Governance costs	-	-	4,564
	<u>43,046</u>	<u>43,046</u>	<u>28,208</u>
TOTAL 2019	<u>28,208</u>	<u>28,208</u>	

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. AUDITORS' REMUNERATION

	2020 £	2019 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	7,000	-
Fees payable to the Company's auditor in respect of: All non-audit services not included above	800	-
	<u><u>7,800</u></u>	<u><u>-</u></u>

10. STAFF COSTS

	2020 £	2019 £
Wages and salaries	805,047	613,132
Social security costs	73,192	51,638
Contribution to defined contribution pension schemes	14,040	12,877
	<u><u>892,279</u></u>	<u><u>677,647</u></u>

The average number of persons employed by the Company during the year was as follows:

	2020 No.	2019 No.
Employees	33	26
	<u><u>33</u></u>	<u><u>26</u></u>

No employee received remuneration amounting to more than £60,000 in either year.

11. TRUSTEES' REMUNERATION AND EXPENSES

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

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

THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
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FOR THE YEAR ENDED 31 AUGUST 2020

12. TANGIBLE FIXED ASSETS

	Freehold Land £	Leasehold Building Improvements £	Plant and machinery £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2019	36,466	92,338	150,474	25,664	304,942
Additions	-	-	974	2,799	3,773
Disposals	-	-	(5,409)	(23,726)	(29,135)
At 31 August 2020	36,466	92,338	146,039	4,737	279,580
DEPRECIATION					
At 1 September 2019	-	14,005	83,722	20,819	118,546
Charge for the year	-	3,682	7,550	1,146	12,378
On disposals	-	-	(4,049)	(19,275)	(23,324)
At 31 August 2020	-	17,687	87,223	2,690	107,600
NET BOOK VALUE					
At 31 August 2020	36,466	74,651	58,816	2,047	171,980
At 31 August 2019	36,466	78,333	66,752	4,845	186,396

Freehold land is shown at market valuation in the 2013 accounts. The professional valuation was undertaken in January 2014 by David E J Prosser, FRICS, and resulted in an uplift of £10,794. This has been recorded in the 2013 accounts and transferred to a revaluation reserve. The trustees believe the valuation is still true and fair in the current financial year.

13. DEBTORS

	2020 £	2019 £
DUE WITHIN ONE YEAR		
Trade debtors	5,575	6,109
Other debtors	789	-
Prepayments and accrued income	1,500	18,084
	<u>7,864</u>	<u>24,193</u>

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	5,646	-
Other taxation and social security	35,528	27,764
Other creditors	3,911	2,974
Accruals and deferred income	8,040	269,869
	<u>53,125</u>	<u>300,607</u>
	2020 £	2019 £
Deferred income at 1 September 2019	263,462	37,080
Resources deferred during the year	-	263,462
Amounts released from previous periods	(263,462)	(37,080)
	<u>-</u>	<u>263,462</u>

15. FINANCIAL INSTRUMENTS

	2020 £	2019 £
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	<u>415,197</u>	<u>368,552</u>

Financial assets measured at fair value through income and expenditure comprise of cash at bank.

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS				
General	278,534	1,446,812	(1,183,430)	541,916
RESTRICTED FUNDS				
Children in Need Grant	-	26,978	(26,978)	-
TOTAL OF FUNDS	278,534	1,473,790	(1,210,408)	541,916

The Children in Need grant is for a salaried position for a three year period. The position is for a Transition Worker with the role of supporting young people to transition into their place at the Bridge. Many of our young people have previously been out of education for a number of years so will need a prolonged integration package to help them settle. The role also includes support in managing the young person's transition out into further education or the workplace.

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2018 £	Income £	Expenditure £	As restated Transfers in/out £	Gains/ (Losses) £	As Restated Balance at 31 August 2019 £
RESTRICTED FUNDS						
General Restricted	146,546	-	-	(146,546)	-	-
Children in Need Grant	-	25,391	(25,391)	-	-	-
	<u>146,546</u>	<u>25,391</u>	<u>(25,391)</u>	<u>(146,546)</u>	<u>-</u>	<u>-</u>
TOTAL OF FUNDS	<u>267,086</u>	<u>25,391</u>	<u>(959,423)</u>	<u>-</u>	<u>2,583</u>	<u>278,534</u>

A prior year adjustment has been made to correct the restricted and unrestricted reserves carried forward as at 31 August 2019. The error related to the incorrect allocation of expenditure between funds. An amount of £146,546 had been incorrectly allocated against unrestricted funds in a prior year, instead of against restricted funds. This has been corrected by a transfer being made between restricted and unrestricted funds in the prior year funds note (note 16). There is no impact on the overall reserves position as at 31 August 2019.

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

18. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
General funds	278,534	1,446,812	(1,183,430)	541,916
Restricted funds	-	26,978	(26,978)	-
	<u>278,534</u>	<u>1,473,790</u>	<u>(1,210,408)</u>	<u>541,916</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 September 2018 £	Income £	Expenditure £	As restated Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
General funds	120,540	942,897	(934,032)	146,546	2,583	278,534
Restricted funds	146,546	25,391	(25,391)	(146,546)	-	-
	<u>267,086</u>	<u>968,288</u>	<u>(959,423)</u>	<u>-</u>	<u>2,583</u>	<u>278,534</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	171,980	171,980
Current assets	423,061	423,061
Creditors due within one year	(53,125)	(53,125)
TOTAL	<u>541,916</u>	<u>541,916</u>

**THE BRIDGE EDUCATION CENTRE, MALVERN HILLS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	As restated Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	186,396	186,396
Current assets	392,745	392,745
Creditors due within one year	(300,607)	(300,607)
TOTAL	278,534	278,534

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	263,382	11,448
ADJUSTMENTS FOR:		
Depreciation charges	12,378	26,466
Interest received	269	1
Loss on the sale of fixed assets	5,812	-
Decrease/(increase) in debtors	16,329	(10,971)
Increase/(decrease) in creditors	(247,483)	260,313
NET CASH PROVIDED BY OPERATING ACTIVITIES	50,687	287,257

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand	415,197	368,552

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**NOTES TO THE FINANCIAL STATEMENTS
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22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	368,552	46,645	415,197

23. PENSION COMMITMENTS

The Charitable Company makes contributions, as part of an employee's contract of employment, which are payable to defined contribution schemes chosen by the employer. The assets of the schemes are held separately from those of the company in an independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £14,040 (2019: £12,877). Contributions totaling £3,370 (2019: £2,974) were payable to the funds at the Balance Sheet date and are included in creditors.

24. OPERATING LEASE COMMITMENTS

At 31 August 2020 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	43,919	43,919
Later than 1 year and not later than 5 years	139,228	183,147
	183,147	227,066