

BRIDGE SCHOOL MALVERN LTD
(FORMERLY KNOWN AS THE BRIDGE EDUCATION CENTRE, MALVERN
HILLS)
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

BRIDGE SCHOOL MALVERN LTD
(A COMPANY LIMITED BY GUARANTEE)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022**

Trustees	Judith Keene Julia Wolff (Resigned 26 January 2022) Debbie Austin (Resigned 26 January 2022) Helen Attree, Chair Angie Farmer (Resigned 8 December 2021) Barry Austin (Resigned 26 January 2022) John Lucas (Resigned 1 January 2022) Shaun Paskin (Appointed 4 January 2022) Rev. Geoffrey Vevers (Appointed 18 November 2021) Esther Partridge-Warner (Appointed 17 December 2021, Resigned 24 January 2022)
Company registered number	06362939
Charity registered number	1122536
Registered office	Unit 2 Hanley Workshops Hanley Road Hanley Swan Worcester WR8 0DX
Chief executive officer	Neil Hornby
Independent auditors	Bishop Fleming LLP Chartered Accountants 1-3 College Yard Worcester WR1 2LB

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees present their annual report together with the audited financial statements of the Bridge School Malvern Ltd for the year 1 September 2021 to 31 August 2022. 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 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 which are implemented through the School Improvement Plan and termly Head Teachers Reports. These focus amongst other things on improving access to an appropriate education and safety for all pupils, and the well-being 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 remains 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

Regarding 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

a. Financial Review

Bridge School Malvern Ltd's total income for the year was £1,617,581 (2021: £1,468,581) and total expenditure including adjustments for depreciation, prepayments and accruals was £1,621,554 (2021: £1,429,628). Overall, the results showed a deficit for the year of £14,531 (2021 surplus: £74,487). A breakdown between unrestricted and restricted funds 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

Bridge School Malvern Ltd aims to have at least six months turnover in free reserves. There has been some progress towards reaching this over the year, and at the year end free reserves excluding fixed assets were £301,258 (2021: £322,814).

d. Principal risks and uncertainties

The Trustees have reviewed the major risks to which the school is exposed. The principal 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 - 85% of funding comes from one local authority. 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 scrutinised.

e. Financial risk management objectives and policies

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management

a. Constitution

Bridge School Malvern Ltd 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 . 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

Helen Attree

Chair

Date: 26/5/23

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGE SCHOOL MALVERN LTD

OPINION

We have audited the of Bridge School Malvern Ltd (the 'charitable company') for the year ended 31 August 2022 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 :

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 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 Charities Act 2011.

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 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 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

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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGE SCHOOL MALVERN LTD
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the 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 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 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.

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 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 where the 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 the 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 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 that are free from material misstatement, whether due to fraud or error.

In preparing the , 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGE SCHOOL MALVERN LTD
(CONTINUED)**

AUDITORS' 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 there under.

Our objectives are to obtain reasonable assurance about whether the 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 .

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:

In assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- the nature of the sector, control environment and the Charity's performance;
- results of our enquiries of management and the Trustees, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Charity's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, purchase ledger, and identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We identified and obtained an understanding of the laws and regulations that are of significance to the Charity by discussions with Trustees and by updating our understanding of the sector in which the Charity operated in. Laws and regulations that are of direct significance to the Charity and of which non compliance could result in material misstatement are the Charities Act, Charities SORP and tax legislation. In addition, we considered provisions of other laws and regulations that 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.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with
- provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue, in line with longer term contract accounting methodologies;
- enquiring of Trustees and management concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the above regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of Trustee meetings; and

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIDGE SCHOOL MALVERN LTD
(CONTINUED)**

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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: 31/05/2023

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

BRIDGE SCHOOL MALVERN LTD
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	120	13,798	13,918	27,481
Charitable activities	4	1,579,326	15,770	1,595,096	1,433,232
Other trading activities	5	8,560	-	8,560	7,620
Investments	6	7	-	7	248
Total income		1,588,013	29,568	1,617,581	1,468,581
Expenditure on:					
Raising funds		10,558	-	10,558	1,031
Charitable activities	7	1,583,795	37,759	1,621,554	1,428,597
Total expenditure		1,594,353	37,759	1,632,112	1,429,628
Net (expenditure)/income		(6,340)	(8,191)	(14,531)	38,953
Transfers between funds	15	(8,547)	8,547	-	-
Net movement in funds before other recognised gains		(14,887)	356	(14,531)	38,953
Other recognised gains:					
Gains on revaluation of fixed assets		-	-	-	35,534
Net movement in funds		(14,887)	356	(14,531)	74,487
Reconciliation of funds:					
Total funds brought forward		616,403	-	616,403	541,916
Net movement in funds		(14,887)	356	(14,531)	74,487
Total funds carried forward		601,516	356	601,872	616,403

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

The notes on pages 12 to 23 form part of these financial statements.

BRIDGE SCHOOL MALVERN LTD
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:06362939

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	299,548	293,589
		299,548	293,589
CURRENT ASSETS			
Debtors	13	66,806	202,417
Cash at bank and in hand		294,694	224,674
		361,500	427,091
Creditors: amounts falling due within one year	14	(59,176)	(104,277)
NET CURRENT ASSETS		302,324	322,814
TOTAL ASSETS LESS CURRENT LIABILITIES		601,872	616,403
NET ASSETS EXCLUDING PENSION ASSET		601,872	616,403
TOTAL NET ASSETS		601,872	616,403
CHARITY FUNDS			
Restricted funds	15	356	-
Unrestricted funds	15	601,516	616,403
TOTAL FUNDS		601,872	616,403

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

Helen Attree
31/05/2023

The notes on pages 12 to 23 form part of these financial statements.

BRIDGE SCHOOL MALVERN LTD
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	96,734	(55,938)
Cash flows from investing activities		
Interest received	(7)	(248)
Purchase of tangible fixed assets	(26,707)	(98,803)
Gain on revaluations	-	(35,534)
Net cash used in investing activities	(26,714)	(134,585)
Change in cash and cash equivalents in the year	70,020	(190,523)
Cash and cash equivalents at the beginning of the year	224,674	415,197
Cash and cash equivalents at the end of the year	294,694	224,674

The notes on pages 12 to 23 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. GENERAL INFORMATION

Bridge School Malvern Ltd 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.

Bridge School Malvern Ltd 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 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE (CONTINUED)

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, on a reducing balance basis.

Depreciation is provided on the following bases:

Leasehold Building	- 2% Reducing-balance
Improvements	
Plant and machinery	- 5-20% Reducing-balance
Computer equipment	- 25% Reducing-balance
Cabins and Units	- 5-10% Reducing-balance

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES (continued)

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 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants	120	13,798	13,918	27,481
TOTAL 2021	27,481	-	27,481	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Student Fees	1,526,330	-	1,526,330	1,433,232
Pupil Premium	-	15,770	15,770	-
Bridge the Gap	52,996	-	52,996	-
	<u>1,579,326</u>	<u>15,770</u>	<u>1,595,096</u>	<u>1,433,232</u>
TOTAL 2021	<u>1,433,232</u>	<u>-</u>	<u>1,433,232</u>	

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising	5,322	5,322	5,250
Shop Sales	3,238	3,238	2,370
	<u>8,560</u>	<u>8,560</u>	<u>7,620</u>
TOTAL 2021	<u>7,620</u>	<u>7,620</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank Interest	7	7	248
TOTAL 2021	<u>248</u>	<u>248</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Student Fees	1,583,795	13,798	1,597,593	1,428,597
Pupil Premium	-	23,961	23,961	-
	<u>1,583,795</u>	<u>37,759</u>	<u>1,621,554</u>	<u>1,428,597</u>
TOTAL 2021	<u>1,401,266</u>	<u>27,331</u>	<u>1,428,597</u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Student Fees	1,528,007	69,586	1,597,593	1,428,597
Pupil Premium	19,358	4,603	23,961	-
	<u>1,547,365</u>	<u>74,189</u>	<u>1,621,554</u>	<u>1,428,597</u>
TOTAL 2021	<u>1,376,066</u>	<u>52,531</u>	<u>1,428,597</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Student Fees 2022 £	Pupil Premium 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,256,591	10	1,256,601	1,096,087
Depreciation	15,136	-	15,136	7,959
Staff training	7,755	-	7,755	4,556
Teaching expenses	102,174	19,266	121,440	109,163
Consumables	3,068	-	3,068	2,182
Rent, rates and utilities	77,455	-	77,455	65,837
Building/site maintenance and development	54,898	22	54,920	40,666
Examination fees	2,268	-	2,268	11,910
Vehicle expenses/staff mileage	4,449	-	4,449	9,703
Animal care	3,461	60	3,521	1,791
Computer costs	752	-	752	26,212
	<u>1,528,007</u>	<u>19,358</u>	<u>1,547,365</u>	<u>1,376,066</u>
TOTAL 2021	<u>1,376,066</u>	<u>-</u>	<u>1,376,066</u>	

ANALYSIS OF SUPPORT COSTS

	Student Fees 2022 £	Pupil Premium 2022 £	Total funds 2022 £	Total funds 2021 £
Depreciation	5,612	-	5,612	4,769
Office Expenses	39,935	4,603	44,538	33,762
Audit Fees	24,039	-	24,039	14,000
	<u>69,586</u>	<u>4,603</u>	<u>74,189</u>	<u>52,531</u>
TOTAL 2021	<u>52,531</u>	<u>-</u>	<u>52,531</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	19,855	9,500
Fees payable to the Company's auditor in respect of: All non-audit services not included above	4,184	4,500

10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	1,103,909	987,009
Social security costs	98,792	87,913
Contribution to defined contribution pension schemes	53,900	21,165
	1,256,601	1,096,087

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

	2022 No.	2021 No.
Employees	44	40

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 (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. TANGIBLE FIXED ASSETS

	Freehold Land £	Leasehold Building Improvements £	Plant and machinery £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2021	72,000	140,322	164,281	37,314	413,917
Additions	-	5,812	6,002	14,893	26,707
At 31 August 2022	72,000	146,134	170,283	52,207	440,624
DEPRECIATION					
At 1 September 2021	-	20,560	91,992	7,776	120,328
Charge for the year	-	4,936	5,612	10,200	20,748
At 31 August 2022	-	25,496	97,604	17,976	141,076
NET BOOK VALUE					
At 31 August 2022	72,000	120,638	72,679	34,231	299,548
At 31 August 2021	72,000	119,762	72,289	29,538	293,589

Freehold land is shown at market valuation in the 2013 accounts. The professional valuation was undertaken in October 2021 by David E J Prosser, FRICS. The trustees believe the valuation is still true and fair in the current financial year.

13. DEBTORS

	2022 £	2021 £
DUE WITHIN ONE YEAR		
Trade debtors	40	5,597
Other debtors	-	8,666
Prepayments and accrued income	66,766	188,154
	66,806	202,417

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	11,808	26,767
Other taxation and social security	27,546	57,815
Other creditors	5,225	5,695
Accruals and deferred income	14,597	14,000
	<u>59,176</u>	<u>104,277</u>

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS					
General	616,403	1,588,013	(1,594,353)	(8,547)	601,516
RESTRICTED FUNDS					
Children in Need Grant	-	13,798	(13,798)	-	-
Pupil Premium	-	15,770	(23,961)	8,547	356
	<u>-</u>	<u>29,568</u>	<u>(37,759)</u>	<u>8,547</u>	<u>356</u>
TOTAL OF FUNDS	<u>616,403</u>	<u>1,617,581</u>	<u>(1,632,112)</u>	<u>-</u>	<u>601,872</u>

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 Company. 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 2022

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS					
General	541,916	1,441,250	(1,402,297)	35,534	616,403
	<u>541,916</u>	<u>1,441,250</u>	<u>(1,402,297)</u>	<u>35,534</u>	<u>616,403</u>
RESTRICTED FUNDS					
Children in Need Grant	-	27,331	(27,331)	-	-
	<u>-</u>	<u>27,331</u>	<u>(27,331)</u>	<u>-</u>	<u>-</u>
TOTAL OF FUNDS	<u>541,916</u>	<u>1,468,581</u>	<u>(1,429,628)</u>	<u>35,534</u>	<u>616,403</u>

16. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2022 £
General funds	616,403	1,588,013	(1,594,353)	(8,547)	601,516
Restricted funds	-	29,568	(37,759)	8,547	356
	<u>616,403</u>	<u>1,617,581</u>	<u>(1,632,112)</u>	<u>-</u>	<u>601,872</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
General funds	541,916	1,441,250	(1,402,297)	35,534	616,403
Restricted funds	-	27,331	(27,331)	-	-
	<u>541,916</u>	<u>1,468,581</u>	<u>(1,429,628)</u>	<u>35,534</u>	<u>616,403</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	299,548	-	299,548
Current assets	361,144	356	361,500
Creditors due within one year	(59,176)	-	(59,176)
TOTAL	601,516	356	601,872

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	293,589	293,589
Current assets	427,091	427,091
Creditors due within one year	(104,277)	(104,277)
TOTAL	616,403	616,403

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(14,531)	38,953
ADJUSTMENTS FOR:		
Depreciation charges	20,748	12,728
Gain on revaluations	-	35,534
Interest received	7	248
Increase in debtors	135,611	(194,553)
Increase/(decrease) in creditors	(45,101)	51,152
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	96,734	(55,938)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash	294,694	224,674

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	224,674	70,020	294,694

21. 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 £54,966 (2021: £21,165). Contributions totaling £6,037 (2021: £5,400) were payable to the funds at the Balance Sheet date and are included in creditors.

22. OPERATING LEASE COMMITMENTS

At 31 August 2022 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	48,837	43,919
Later than 1 year and not later than 5 years	54,601	95,309
	103,438	139,228

23. RELATED PARTY TRANSACTIONS

During the year income of £61,009 (2021: £Nil) was received from Bridge The Gap Malvern Limited in relation to the use of Bridge School Malvern Ltd staff and services. Bridge The Gap Malvern is a company controlled by Neil Hornby, CEO of Bridge School Malvern Ltd.

During the year purchases of £Nil (2021: £8,013) were made on behalf of Bridge The Gap Malvern Limited.

At the year end £9,340 (2021: £8,013) is included within debtors due within one year.

