

Charity number: 1158886

Building Heroes Education Foundation

Unaudited

Trustees' report and financial statements

For the year ended 31 July 2022

Building Heroes Education Foundation

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Building Heroes Education Foundation

Reference and administrative details of the Charity, its Trustees and advisers For the year ended 31 July 2022

Trustees	P J J Bradbury D L Porter D Barling A Foster M J Betteridge R Tucker MBE Lt Cdr N Atkins P Findlay (resigned 12 October 2022) J Whitmore (appointed 12 October 2022)
Charity registered number	1158886
Principal office	Chartwell 5 Amberley Court Whitworth Road Crawley RH11 7XL
Independent Examiner	Lucy Hammond BSc FCA Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Chief Executive Officer	Brendan Williams (until 31 December 2022) Karen Jefford (from 1 January 2023)

Building Heroes Education Foundation

Trustees' report For the year ended 31 July 2022

The Trustees present their annual report together with the financial statements of the Charity for the year 1 August 2021 to 31 July 2022.

The financial statements have been prepared in accordance with the current statutory requirements and comply with the Charity's governing document and the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued (January 2019).

Objectives and activities

a. Objectives and activities

The charity's objects are:

1. For the public benefit to advance the education of (a) ex-armed forces personnel and members of their immediate families and (b) socially and/or economically disadvantaged persons aged 18 and over and (c) other persons who may wish to attend educational courses provided by the Charity for the persons set out in (a) and (b) above in Construction and Horticultural Skills in such ways as the Charity Trustees think fit, including by providing their education and preparing them for entry to any occupation, trade or profession.
2. To advance in life and help young people through providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.
3. To promote social inclusion for the public benefit amongst people aged 18 and over who are socially excluded and by preventing ex-armed forces personnel from becoming socially excluded and relieving the needs of those people who are socially excluded and assisting them to integrate into society. The Board of Trustees has paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

b. Activities undertaken to achieve objectives

The charity aims to provide a pathway into Construction for Armed Forces Service Leavers and Veterans. This pathway is designed to create multiple opportunities for advancement into the Construction Industry through Employment, Self-Employment of further training. Successful progression meets our aims since these outcomes will lead to less social exclusion and better integration into civilian life.

College based training coupled with on-site academies provide the settings in which the learners can acquire the skills necessary to progress into the industry.

All learners are mentored on opportunities with our Academy Partners and their Supply Chain partners as well as towards the industry at large. They are coached in job search before they attend and during their time with us. All learners are contacted 1, 3 and 6 months post-graduation to ensure their progression is going well.

c. Main activities undertaken to further the Charity's purposes for the public benefit

The main activity of the charity is providing specially tailored fast track training programmes in Construction Skills, Construction engineering, Groundworks and Plant Operations at 14 centres around the country in partnership with Training Providers and Industry Partners, this meets our public benefit obligation outlined in our Aims.

The Trustees confirm that they have complied with the Charities Act to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Trustees' report (continued)
For the year ended 31 July 2022

Achievements and performance

a. Main achievements of the Charity

Building Heroes continued to deliver its sector leading training programmes in 14 centres around the country. Courses were delivered in four main skills areas, Basic Construction Skills, Construction Engineering, Groundworks and Plant Machinery. In total 79 cohorts totalling 609 learners attended courses during this reporting year. This number was below the target of 800 but this was partly due to the tail end of the pandemic and many Service personnel being retained within the Forces to manage the pandemic response.

Financial review

a. Going concern

The Trustees are confident that the Charity can continue as a going concern. See note 2.2 in the financial statements for further details.

b. Reserves policy

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Board of Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Charity has a very substantial deficiency of funds, but has unsecured, interest free and long term finance which it considers will be sufficient to enable it to continue its operations.

Building Heroes Property Services (BHPS) is a wholly owned Trading Subsidiary which has been provided start up funds by the charity. It is expected to become self sufficient during the next financial year but offer no threat to the on-going business of the Charity.

c. Principal risks and uncertainties

Risks

- (i) Lack of learners
The Charity would be at risk if it could not recruit sufficient learners but is currently receiving over 2,000 application per year for only 750 places available
- (ii) Lack of funding
The Charity has undertaken a series of efforts to diversify its sources of funds and now has no single source which represents more than 25% of its revenues
- (iii) Reduction in AEB funding for our partners to support the courses
There has been no negative indication regarding the availability of funding to support our Level 1 and 2 programmes
- (iv) Failure to attract Customers to BHPS
Following a concentration on a single customer BHPS has now expanded its client base and should be protected from the failure of any single client.

Building Heroes Education Foundation

Trustees' report (continued) For the year ended 31 July 2022

d. Financial review

As at 31 July 2022 the charity had a deficit on unrestricted funds and total funds of £112,542 (2021: restricted funds £52,992 and a deficit on unrestricted funds of £116,083).

The tail end of the pandemic and some failed new initiatives put the charity under cash pressure but these had turned by the end of the year and new academy sponsors significantly reduced any anxiety over future viability.

The Adult Education budget funding we were awarded was used to fund out Groundworks and Plant Operations Courses, sadly these proved too costly to continue to operate ourselves and we did not renew our AEB funding for the next academic year. We have now moved these programmes back into our partner funded model and have significant interest around the country.

Similarly, we were fortunate to be invited to help deliver the first phase of Government Funded Skills Bootcamps, sadly our delivery partner was unable to provide the necessary facilities to make this work.

Together the AEB and Bootcamp initiatives have proved very costly to the charity incurring net expense in excess of £50,000 which is reflected in the overall performance of the charity this year.

These activities have been ceased and will create no further financial liability to the charity.

Structure, governance and management

a. Constitution

Building Heroes Education Foundation is a charitable incorporated organisation, registered charity number 1158886 and is established under its constitution dated 1 October 2014.

The members of the Board of Trustees who served during the year and up to the date of signature of the financial statements were:

P J J Bradbury

D L Porter

D Barling

A Foster

M J Betteridge

R Tucker MBE

Lt Cdr N Atkins

P Findlay (resigned 12 October 2022)

J Whitmore (appointed 12 October 2022)

b. Methods of appointment or election of Trustees

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

Every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees in accordance with its constitution. In selecting individuals for appointment as charity trustees, the charity trustees have regard to the skills, knowledge and experience needed for its effective administration.

None of the members of the Board of Trustees has any beneficial interest in the Charity. All of the members of the Board of Trustees are members of the Charity. They have no liability in the event of a winding up.

Building Heroes Education Foundation

Trustees' report (continued) For the year ended 31 July 2022

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Financial and Operational Control is exercised by the Chief Executive under fully delegated authority. At the end of the 2021-22 financial year the Chief Executive had been in post since the founding of the Charity and had significant Financial and Operational experience.

The Chief Executive meet regularly informally with the Chairman of Trustees and periodically as per the Constitution with the Trustees.

From 1 January 2023 Karen Jefford was appointed Chief Executive from her position of Chief Operating Officer, she is joined in Senior Management by Harri Kallas who takes the position of General Manager.

d. Policies adopted for the induction and training of Trustees

The Chief Executive briefs all new Trustees along with the Chairman of Trustees.

e. Pay policy for key management personnel

The Chief Executive has been a Volunteer during his entire tenure. Remuneration of all other Senior staff is managed by the Chief Executive.

f. Related party relationships

The Charity has a revenue sharing agreement with BHPS covering revenues from Recruitment Services which can be generated from the BHPS customer base.

A loan was provided for initial start-up costs.

g. Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

Building Heroes is active in multiple business development streams.

We are working towards completing the move to the industry backed academy model, there are several partners in the pipeline awaiting the best opportunity to present itself.

A new stream in Green Skills is being explored in partnership with a BHPS customer and a major energy company.

Trustees' report (continued)
For the year ended 31 July 2022

Statement of Trustees' responsibilities

The Trustees 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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Pete Bradbury

P J J Bradbury
Trustee
Date:

30th May 2023

Building Heroes Education Foundation

Independent examiner's report For the year ended 31 July 2022

Independent examiner's report to the Trustees of Building Heroes Education Foundation ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 July 2022.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:  Dated: 30 May 2023

Lucy Hammond
Kreston Reeves LLP Chartered Accountants
9 Donnington Park, 85 Birdham Road, Chichester, PO20 7AJ

BSc FCA

Building Heroes Education Foundation

Statement of financial activities For the year ended 31 July 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	-	481,946	481,946	263,569
Charitable activities	4	-	212,072	212,072	160,379
Total income		-	694,018	694,018	423,948
Expenditure on:					
Charitable activities	5	52,992	690,477	743,469	460,282
Total expenditure		52,992	690,477	743,469	460,282
Net movement in funds		(52,992)	3,541	(49,451)	(36,334)
Reconciliation of funds:					
Total funds brought forward		52,992	(116,083)	(63,091)	(26,757)
Net movement in funds		(52,992)	3,541	(49,451)	(36,334)
Total funds carried forward		-	(112,542)	(112,542)	(63,091)

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

The notes on pages 11 to 23 form part of these financial statements.

Building Heroes Education Foundation

Balance sheet As at 31 July 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	10,959	8,963
Investments	10	100	100
		<u>11,059</u>	<u>9,063</u>
Current assets			
Debtors	11	146,391	57,844
Cash at bank and in hand		26,049	124,379
		<u>172,440</u>	<u>182,223</u>
Creditors: amounts falling due within one year	12	(195,162)	(103,912)
Net current liabilities / assets		<u>(22,722)</u>	<u>78,311</u>
Total assets less current liabilities		<u>(11,663)</u>	<u>87,374</u>
Creditors: amounts falling due after more than one year	13	(100,879)	(150,465)
Total net assets		<u>(112,542)</u>	<u>(63,091)</u>
Charity funds			
Restricted funds	14	-	52,992
Unrestricted funds	14	(112,542)	(116,083)
Total funds		<u>(112,542)</u>	<u>(63,091)</u>

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

Pete Bradbury

P J J Bradbury
Trustee

Date: 30th May 2023

The notes on pages 11 to 23 form part of these financial statements.

Building Heroes Education Foundation

Statement of cash flows For the year ended 31 July 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	16	(45,055)	(80,385)
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,132)	(7,609)
Purchase of investments		-	(100)
Net cash used in investing activities		(10,132)	(7,709)
Cash flows from financing activities			
Repayments of borrowing		(43,143)	(20,000)
Net cash used in financing activities		(43,143)	(20,000)
Change in cash and cash equivalents in the year		(98,330)	(108,094)
Cash and cash equivalents at the beginning of the year		124,379	232,473
Cash and cash equivalents at the end of the year	17	26,049	124,379

The notes on pages 11 to 23 form part of these financial statements

Building Heroes Education Foundation

Notes to the financial statements For the year ended 31 July 2022

1. General information

Building Heroes Education Foundation is a charitable incorporated organisation established under its constitution dated 1 October 2014 and registered with the Charity Commission on 16 October 2014.

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 Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Building Heroes Education Foundation 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

These financial statements are prepared on the going concern basis. The Board of Trustees has a reasonable expectation that the Charity will continue in operational existence for the foreseeable future. It is reliant on unsecured, interest free long term loan funding and has been assured that no repayment will be sought until funds permit.

2.3 Income

All income is recognised once the Charity 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.

Expenditure on raising funds includes all expenditure incurred by the Charity 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 Charity's objectives, as well as any associated support costs.

**Notes to the financial statements
For the year ended 31 July 2022**

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets 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 basis:

Office equipment	- 33% per annum
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2.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

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

**Notes to the financial statements
For the year ended 31 July 2022**

2. Accounting policies (continued)

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 Charity 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 Charity 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.

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	-	21,592	21,592
Grants	-	460,354	460,354
	<hr/>	<hr/>	<hr/>
	-	481,946	481,946
	<hr/>	<hr/>	<hr/>
	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	-	264	264
Grants	151,187	112,118	263,305
	<hr/>	<hr/>	<hr/>
	151,187	112,382	263,569
	<hr/>	<hr/>	<hr/>

Building Heroes Education Foundation

Notes to the financial statements For the year ended 31 July 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Services provided under contract	212,072	212,072

	Unrestricted funds 2021 £	Total funds 2021 £
Services provided under contract	160,379	160,379

5. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs - Charitable Activities	731,035	12,434	743,469

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Direct costs - Charitable Activities	447,396	12,886	460,282

**Notes to the financial statements
For the year ended 31 July 2022**

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	458,117	303,271
Depreciation	8,136	4,238
Training projects	132,754	58,871
Advertising	28,989	3,264
Rent	18,395	10,439
Travel and subsistence	16,270	6,341
Telephone and internet	7,114	5,455
Computer costs	14,562	13,575
Insurance	3,797	1,147
Bank charges	983	214
Consultancy and professional costs	12,699	26,553
Other staff costs	650	4,409
Other office expenses	2,466	1,210
Miscellaneous costs	5,769	380
Other charitable expenditure	1,148	8,029
BHPS Commission	19,186	-
	731,035	447,396

Included within direct costs are staff costs from restricted funds of £30,000 (2021: £149,571) and other costs from restricted funds of £22,992 (2021: £41,472).

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Operating lease charges	8,659	8,886
Governance costs - legal and professional	3,775	4,000
	12,434	12,886

6. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £3,250 (2021 - £4,000).

Building Heroes Education Foundation

Notes to the financial statements For the year ended 31 July 2022

7. Staff costs

	2022 £	2021 £
Wages and salaries	421,469	281,660
Social security costs	29,407	17,767
Contribution to defined contribution pension schemes	7,241	3,844
	<u>458,117</u>	<u>303,271</u>

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

	2022 No.	2021 No.
Employees	<u>21</u>	<u>14</u>

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

The total employee benefits of the key management personnel of the charity were £16,536 and employer pension contributions were £75.

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

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

Building Heroes Education Foundation

Notes to the financial statements For the year ended 31 July 2022

9. Tangible fixed assets

	Computer and office equipment £
Cost or valuation	
At 1 August 2021	14,280
Additions	10,132
	<hr/>
At 31 July 2022	24,412
	<hr/>
Depreciation	
At 1 August 2021	5,317
Charge for the year	8,136
	<hr/>
At 31 July 2022	13,453
	<hr/>
Net book value	
At 31 July 2022	10,959
	<hr/> <hr/>
At 31 July 2021	8,963
	<hr/> <hr/>

10. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2021	100
	<hr/>
At 31 July 2022	100
	<hr/> <hr/>
Net book value	
At 31 July 2022	100
	<hr/>
At 31 July 2021	100
	<hr/> <hr/>

**Notes to the financial statements
For the year ended 31 July 2022**

11. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	91,621	51,480
Amounts owed by group undertakings	29,706	-
Other debtors	3,271	3,200
Prepayments and accrued income	21,793	3,164
	146,391	57,844

12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	9,586	3,143
Other loans	60,000	60,000
Trade creditors	38,053	12,371
Amounts owed to group undertakings	-	693
Other taxation and social security	14,355	-
Other creditors	1,743	2,255
Accruals and deferred income	71,425	25,450
	195,162	103,912

Deferred income is in relation to sponsorship and accommodation income received in advance.

13. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other loans	100,879	150,465

Building Heroes Education Foundation

Notes to the financial statements For the year ended 31 July 2022

14. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
Unrestricted funds				
General Funds	<u>(116,083)</u>	<u>694,018</u>	<u>(690,477)</u>	<u>(112,542)</u>
Restricted funds				
David Wilson Foundation - East Midlands training	30,000	-	(30,000)	-
Lloyd's Patriotic Fund - New Training Centre in Wales	16,067	-	(16,067)	-
Groundwork London - new pathway for Veterans into Construction	2,116	-	(2,116)	-
London Borough of Wandsworth - new opportunities for Wandsworth residents	4,809	-	(4,809)	-
	<u>52,992</u>	<u>-</u>	<u>(52,992)</u>	<u>-</u>
Total of funds	<u><u>(63,091)</u></u>	<u><u>694,018</u></u>	<u><u>(743,469)</u></u>	<u><u>(112,542)</u></u>

Building Heroes Education Foundation

Notes to the financial statements For the year ended 31 July 2022

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Balance at 31 July 2021 £
Unrestricted funds				
General Funds	(119,605)	272,761	(269,239)	(116,083)
Restricted funds				
David Wilson Foundation - East Midlands training	59,000	67,000	(96,000)	30,000
Lloyd's Patriotic Fund - New Training Centre in Wales	-	19,000	(2,933)	16,067
Groundwork London - new pathway for Veterans into Construction	-	5,642	(3,526)	2,116
London Borough of Wandsworth - new opportunities for Wandsworth residents	-	4,809	-	4,809
Veterans Foundation - staff for geographical expansion	25,000	-	(25,000)	-
BFBS Big Salute - Workwear	8,848	-	(8,848)	-
Armed Forces Covenant Trust Positive Pathways	-	33,250	(33,250)	-
National Lottery - Remote learning and reskilling	-	19,616	(19,616)	-
Other grants	-	1,870	(1,870)	-
	92,848	151,187	(191,043)	52,992
Total of funds	(26,757)	423,948	(460,282)	(63,091)

Notes to the financial statements
For the year ended 31 July 2022

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	10,959	10,959
Fixed asset investments	100	100
Current assets	187,036	187,036
Creditors due within one year	(159,758)	(159,758)
Creditors due in more than one year	(150,879)	(150,879)
Total	<u>(112,542)</u>	<u>(112,542)</u>

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	8,963	8,963
Fixed asset investments	-	100	100
Current assets	52,992	129,231	182,223
Creditors due within one year	-	(103,912)	(103,912)
Creditors due in more than one year	-	(150,465)	(150,465)
Total	<u>52,992</u>	<u>(116,083)</u>	<u>(63,091)</u>

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	<u>(49,451)</u>	<u>(36,334)</u>
Adjustments for:		
Depreciation charges	8,136	4,124
Loss on the sale of fixed assets	-	114
Increase/(decrease) in creditors	99,403	(14,440)
Increase in debtors	(103,143)	(33,849)
Net cash used in operating activities	<u>(45,055)</u>	<u>(80,385)</u>

Building Heroes Education Foundation

Notes to the financial statements For the year ended 31 July 2022

17. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	26,049	124,379
Total cash and cash equivalents	26,049	124,379

18. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	Other non- cash changes £	At 31 July 2022 £
Cash at bank and in hand	124,379	(98,330)	-	26,049
Debt due within 1 year	(63,143)	43,143	(49,586)	(69,586)
Debt due after 1 year	(150,465)	-	49,586	(100,879)
	(89,229)	(55,187)	-	(144,416)

19. Operating lease commitments

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

	2022 £	2021 £
Not later than 1 year	24,000	37,000
Later than 1 year and not later than 5 years	69,000	83,000
	93,000	120,000

20. Related party transactions

The charity has a 100% subsidiary company, Building Heroes Property Services Limited (BHPS). During the year the charity was charged commission of £19,186 from BHPS (2021: £nil). The charity received income of £22,142 (£nil) and incurred expenses of £7,541 (2021: £24,407) on behalf of BHPS. BHPS received income of £25,000 (2021: £45,000) on behalf of the charity. At the year end the charity was owed £29,706 by BHPS (2021: the charity owed £693 to BHPS).

At the year end the charity had an interest-free and unsecured loan outstanding to Brendan Williams of £113,608 (2021: £153,608).

Building Heroes Education Foundation

Notes to the financial statements For the year ended 31 July 2022

21. Post balance sheet events

After the balance sheet date an outstanding loan balance of £10,000 was gifted to the charity. At the year end this balance is within creditors due within one year.

22. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Principal activity	Class of shares	Holding
Building Heroes Property Services Ltd	12830457	Provision of property maintenance services	Ordinary shares	100%

The financial results of the subsidiary for the year were:

Name	Profit/(Loss) for the year £	Net assets £
Building Heroes Property Services Ltd	(9,072)	(33,340)