

Charity registration number 1162711

INCLUSION HAMPSHIRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

INCLUSION HAMPSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

L J Pratt

A Minshull-Beech

A Wilson

(Appointed 20 October 2021)

A Howell

(Appointed 20 October 2021)

R Wilson

M Russell

(Appointed 27 September 2022)

Chair

A Minshull-Beech

Chief Executive

C Edwards

Charity number

1162711

CIO number

CE005063

Principal address

Inclusion School, Bridgwater House

Viabes Business Park

Basingstoke

RG22 4AX

Independent examiner

Fiander Tovell Limited

Stag Gates House

63/64 The Avenue

Southampton

Hampshire

SO17 1XS

INCLUSION HAMPSHIRE

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INCLUSION HAMPSHIRE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objects are:

For the public benefit to promote the education (including social and physical training) of people under the age of 25 years in Hampshire in such ways as the charity trustees think fit, including by: providing their education (including the study of music or other arts), to undertake travel in furtherance of that education or to prepare for entry to any occupation, trade or profession on leaving any educational establishment.

Inclusion Hampshire meets its charitable objects by developing and managing projects and services that will increase engagement with vulnerable young people living in Hampshire. In particular, the charity seeks to engage with young people aged 13-25, who are at risk of disengagement or exclusion from school or have left school with minimal or no qualifications. The charity works with them and their families in the aim of helping them make a positive change in their lives. In achieving these objects, the charity has due regard for its duties in respect of public benefit.

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

Achievements and performance

Inclusion Hampshire Alternative Education Provision

During the period, Inclusion Hampshire delivered its alternative education provision, Inclusion Learning Centre (ILC), from its self-contained suite in Chineham Shopping Centre, Basingstoke, Hampshire. ILC supported 36 children aged 11 - 16 for up to 10 hours per week per child of bespoke learning and mental health support, delivered by its multidisciplinary team of qualified Teachers, Counsellors and specifically trained therapeutic staff. ILC accepted referrals from 10 schools across North Hampshire.

Alongside Functional Skills Maths and English, wider skills are taught through the Personal Wellbeing curriculum, modules include SRE, keeping safe, anti-bullying work, online safety, emotional well being, employability and healthy lifestyles. Teaching takes place 1:1 or in small groups with group activities and discussions taking place weekly, plus regular activities in acknowledging and understanding national awareness days. Group sessions help learners to develop their social skills and knowledge of wider issues through their peers. Teaching is tailored to meet the needs of individual learners, with an appropriate mix of challenge and support to encourage critical thinking and debate.

Careers support is available to all learners through the Employability Skills curriculum with arranged work experience opportunities where appropriate, careers information, support with applying to college and/or Apprenticeships and Traineeships. Everything possible is done to support and enable learners to transition successfully back to their mainstream school or on to further education or employment.

All learners have access to bespoke mental health support in the form of talking therapies, counselling, ELSA, mentoring, art and/or music, plus access to enrichment activities such as crafts, group games, table tennis and outdoor activities.

INCLUSION HAMPSHIRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

In March 2022 Inclusion Hampshire applied to the Department for Education to set up an Independent Special School (Inclusion School) to offer a full time timetable for young people with an EHCP who experience poor mental health. Due to a lack of availability, there are no suitable special schools for learners to transition to, from ILC when they have a requirement for over 10 hours of education.

Inclusion School would deliver the ILC successful curriculum of functional skills, PHSE and employability as a full time offer and also deliver PE and GCSE's in English, Maths and Science. In April 2022, Inclusion Hampshire identified a suitable building for the proposed School and were able to secure tenancy by June 22. In July, Ofsted approved the proposed School and Inclusion School received a DfE number in August 2022. Inclusion School proposes to open from September and will specialise in holistic primary mental health support and work closely with parents/carers and the community to ensure high quality educational outcomes and a pathway to further education, training or employment.

Inclusion Learning Centre continued to operate from Chineham until the end of the Summer Term 2022.

Inclusion College

In March 2022, following a DfE inspection, Inclusion Hampshire were successful in securing funding for Study Programmes from the Education and Skills Funding Agency (ESFA). Inclusion College will be able to increase its number of spaces from September 2022 and receive a funding contract with Hampshire County Council for young people with an EHCP aged 16-25. Inclusion Hampshire identified a larger site for Inclusion College and the College moved premises In June 2022. During 2021/22, Inclusion College supported 35 young people.

Inclusion College specialises in mental health support for young people with additional needs mental health support, delivered by its multidisciplinary team of qualified Teachers, Counsellors and specifically trained therapeutic staff. The curriculum and support is delivered in the same way as described above for the Inclusion Learning Centre.

Inclusion Hampshire

Inclusion Hampshire restructured in 2021/22 to provide dedicated support to both the proposed Inclusion School and the existing Inclusion College. Governing Boards have been set up for both the School and College with the Chair of each board sitting on the main Trustee Board of Inclusion Hampshire. The charity will centrally provide:

- CEO Strategy and Development support for Headteachers
- Financial Management (including payroll and administration)
- Business Management
- Systems and IT Support
- HR Services
- Communications and Marketing
- Exam Board Services
- Clerk Services for Trustee Board and Governing Boards
- Property and Maintenance management

As an accredited National Open College Network (NOCN) Examination Centre, young people attending both Inclusion School and Inclusion College are able to achieve nationally recognised qualifications:

- Functional Skills English, Entry levels and Levels 1 & 2
- Functional Skills Maths, Entry levels and Level 1 & 2
- Personal Wellbeing Skills, Certificate, Award and Level 1 & 2
- Employability Skills, Certificate, Award and Level 1 & 2
- Using Employability Skills entry level 1- 3

INCLUSION HAMPSHIRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

There was a surplus on the general fund of £36,066 for the period ended 31st August 2022 (£150,425 for the previous period).

In the financial year, there was an increase in the level of expenditure in preparation for the launch of Inclusion School that gained approval in August 2022. This included the hiring of additional teaching staff and committing to a long-term lease for a suitable premises based in Viables, Basingstoke.

The 2021 figures were restated as lease liabilities which had previously been capitalised and amortised under IFRS 16 were reversed. This was done to comply with the FRS 102 accounting standard.

There was a considerable level of fit-out expenditure in readiness for the launch of the School in September 2022. In total, £92,427 of leasehold fixed asset additions in relation to the fit out were capitalised during the year. The College has seen a year-on-year increase in the level of learners and as a result, required a larger premises based in Hook.

Total funds carried forward at the period end were £518,397 (£481,063 for the previous period) of which £200,000 is designated against the Expenses Reserve. All funds in excess of the Expenses Reserve held by the Charity should be held as unrestricted reserves.

Reserves Policy

The Trustees regularly review finances, budgets and spend against budget as part of the effective stewardship of the Charity.

The Financial Controls Policy requires that Inclusion Hampshire holds funds sufficient to represent approximately 6 months of normal running costs for the Charity in the Expense Reserve. This is to ensure it can manage the financial impact of risk and minimise any disruption to our charitable activities.

The Trustees recognise that the projected cost base is expected to significantly increase with the move to becoming Inclusion School and as the level of learners increase at the College. The Trustees are committed to building up the level of the Expense Reserve over the next few years to provide the necessary financial security for the Charity.

Risk Assessment

A formal risk assessment programme is in place using the Charities Commission guide. The Trustees review the major risks and their implications and steps are taken to mitigate potentially adverse effects. The procedures continue to be maintained and monitored on an on-going basis.

Structure, governance and management

The charity is a Charitable Incorporated Organisation (CIO), registered with the Charity Commission. It was formed on 17 July 2015 and is governed by a written constitution.

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

L J Pratt

A Minshull-Beech

A Wilson

(Appointed 20 October 2021)

A Howell

(Appointed 20 October 2021)

R Wilson

M Russell

(Appointed 27 September 2022)

Trustees are appointed by a resolution passed at a properly convened meeting of the trustees. Each new trustee is appointed for a minimum of three years.

INCLUSION HAMPSHIRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees are responsible for governance, including setting the Charity's strategy and overall policies and reviewing progress against objectives. The Chief Executive, working closely with Trustees, carries out the day-to-day management of the charity. However, all trustees are encouraged to take an interest in the charity's project work and take an active part in the management thereof.

Trustees are formally inducted in the work of the charity and their own responsibilities as a trustee over a period of months. This initially involves discussions with other trustees, briefing by the Chairman and Chief Executive, a review of the latest annual report, annual accounts and current projects. Any training or education the new trustee needs is scheduled as required.

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

A Minshull-Beech

A Minshull-Beech
Trustee

Date: *22 March 2023*

INCLUSION HAMPSHIRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF INCLUSION HAMPSHIRE

I report to the trustees on my examination of the financial statements of Inclusion Hampshire (the charity) for the year ended 31 August 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all 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 the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Fiander Tovell

Adam Buse, ACA
For and on behalf of
Fiander Tovell Limited

Stag Gates House
63/64 The Avenue
Southampton
Hampshire
SO17 1XS

Dated: 6/4/2023

INCLUSION HAMPSHIRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds general 2022	Unrestricted funds designated 2022	Restricted funds 2022	Total 2022	Total 2021 as restated
	Notes	£	£	£	£	£
<u>Income and endowments from:</u>						
Donations and legacies	3	41,625	-	6,711	48,336	78,643
Charitable activities	4	825,813	-	-	825,813	534,816
Investments	5	1,321	-	-	1,321	484
Other income	6	1,471	-	-	1,471	80
Total income		<u>870,230</u>	<u>-</u>	<u>6,711</u>	<u>876,941</u>	<u>614,023</u>
<u>Expenditure on:</u>						
Charitable activities	7	<u>833,615</u>	<u>-</u>	<u>5,992</u>	<u>839,607</u>	<u>461,968</u>
Net incoming resources before transfers		<u>36,615</u>	<u>-</u>	<u>719</u>	<u>37,334</u>	<u>152,055</u>
Gross transfers between funds		<u>(549)</u>	<u>-</u>	<u>549</u>	<u>-</u>	<u>-</u>
Net income for the year/ Net movement in funds		<u>36,066</u>	<u>-</u>	<u>1,268</u>	<u>37,334</u>	<u>152,055</u>
Fund balances at 1 September 2021		<u>279,433</u>	<u>200,000</u>	<u>1,630</u>	<u>481,063</u>	<u>329,008</u>
Fund balances at 31 August 2022		<u><u>315,499</u></u>	<u><u>200,000</u></u>	<u><u>2,898</u></u>	<u><u>518,397</u></u>	<u><u>481,063</u></u>

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

All income and expenditure derive from continuing activities.

INCLUSION HAMPSHIRE

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2021 as restated £
Fixed assets			
Tangible assets	11	111,081	7,777
Current assets			
Debtors	12	68,859	11,220
Cash at bank and in hand		543,412	495,890
		612,271	507,110
Creditors: amounts falling due within one year	13	(204,955)	(33,824)
Net current assets		407,316	473,286
Total assets less current liabilities		518,397	481,063
Income funds			
Restricted funds	15	2,898	1,630
<u>Unrestricted funds</u>			
Designated funds	16	200,000	200,000
General unrestricted funds		315,499	279,433
		515,499	479,433
		518,397	481,063

The financial statements were approved by the Trustees on 22 March 2023

A Minshull-Beech

A Minshull-Beech
Trustee

INCLUSION HAMPSHIRE

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

1 Accounting policies

Charity information

Inclusion Hampshire is a charitable incorporated organisation registered with the Charity Commission in England and Wales. The office address is Inclusion School, Bridgwater House, Viabes Business Park, Basingstoke, RG22 4AX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Prior period error

In the prior year accounts, the lease liability due in respect of Unit 2 Meridian Office Park, Hook, was capitalised under IFRS 16 and amortised. A prior year adjustment has been made to remove the capitalisation of the lease liability and corresponding amortisation charge as the accounts are prepared under FRS 102.

1.3 Going concern

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

1.4 Charitable funds

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

Designated funds are funds set aside by the trustees for specific purposes.

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

Transfers are made between funds when adequate justification and supporting evidence is provided.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants are recognised when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, these these amounts are deferred.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.6 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.

Support costs are allocated to activities in proportion to the use of facilities and time spent. Where support costs are allocated to restricted funds, these are allocated in accordance with the terms of the funding agreements.

Irrecoverable VAT is charged as a cost against the category of expenditure to which it relates.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold land and buildings	Straight line over the period of the lease
Fixtures, fittings and equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Retirement benefits

The charity operates a defined contribution pension scheme. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	2,266	-	2,266	594
Grants receivable	38,259	6,711	44,970	78,049
Membership fees	1,100	-	1,100	-
	<u>41,625</u>	<u>6,711</u>	<u>48,336</u>	<u>78,643</u>
For the year ended 31 August 2021	<u>53,729</u>	<u>24,914</u>		<u>78,643</u>

Grants include government grants of £27,059 (2021 - £42,637) in respect of Covid-19 support and £11,200 (2021 - £10,000) in support of charitable activities.

4 Charitable activities

	Unrestricted funds 2022	Unrestricted funds 2021
	£	£
Inclusion Learning Centre income	364,968	245,768
Inclusion College income	460,845	270,417
KS3 income	-	18,631
	<u>825,813</u>	<u>534,816</u>

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	1,321	484

6 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Other income	1,471	80

7 Charitable activities

	2022 £	2021 as restated £
Staff costs	375,120	247,968
Accreditation, training and testing	3,027	3,916
Temporary or specialist teaching resources	63,827	19,720
Resources	5,089	802
Transport	3,635	6,221
Trips and events	598	-
Sundry costs	3,050	2,208
	454,346	280,835
Share of support costs as restated (see note 8)	382,311	178,379
Share of governance costs (see note 8)	2,950	2,754
	839,607	461,968
Analysis by fund		
Unrestricted funds - general	833,615	438,684
Restricted funds	5,992	23,284
	839,607	461,968

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	as restated £
Staff costs	125,429	-	125,429	109,747
Depreciation	3,380	-	3,380	2,382
Staff training, recruitment and other costs	13,113	-	13,113	4,297
Rent, rates and other premises costs	147,916	-	147,916	28,011
Premises maintenance and repairs	40,288	-	40,288	12,045
Telephone, computer and other office costs	28,623	-	28,623	13,836
Travel	1,534	-	1,534	867
Marketing	19,092	-	19,092	5,027
Sundry costs	2,839	-	2,839	2,103
Bank charges and interest	97	-	97	64
Accountancy	-	(700)	(700)	1,500
Legal and professional	-	3,650	3,650	1,254
	<u>382,311</u>	<u>2,950</u>	<u>385,261</u>	<u>181,133</u>
Analysed between				
Charitable activities	<u>382,311</u>	<u>2,950</u>	<u>385,261</u>	<u>181,133</u>

A prior year adjustment has been made as disclosed in note 1.2. This reduces prior year depreciation by £10,312 and increases rent, rates and other premises costs by £11,875.

Governance costs include costs of the independent examination of £3,600 (2021- £1,500).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current and prior years.

10 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
<u>23</u>	<u>20</u>

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Employees

(Continued)

Employment costs	2022 £	2021 £
Wages and salaries	449,949	330,728
Social security costs	30,492	18,805
Other pension costs	20,108	8,182
	<u>500,549</u>	<u>357,715</u>

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

11 Tangible fixed assets

	Leasehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 September 2021 as restated	-	11,660	11,660
Additions	92,427	14,257	106,684
At 31 August 2022	<u>92,427</u>	<u>25,917</u>	<u>118,344</u>
Depreciation and impairment			
At 1 September 2021 as restated	-	3,883	3,883
Depreciation charged in the year	536	2,844	3,380
At 31 August 2022	<u>536</u>	<u>6,727</u>	<u>7,263</u>
Carrying amount			
At 31 August 2022	<u>91,891</u>	<u>19,190</u>	<u>111,081</u>
At 31 August 2021	<u>-</u>	<u>7,777</u>	<u>7,777</u>

A prior year adjustment has been made to remove the capitalisation of the lease liability and amortisation charge included in the previous year's accounts in respect of the prior year lease on Unit 2 Meridian Office Park, Hook.

The prior year adjustment reduces the brought forward cost and amortisation in respect of leasehold land and buildings to £nil. The previous balances comprised a brought forward cost of £206,248 and brought forward amortisation of £10,312.

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	8,823	16
Other debtors	1,520	477
Prepayments and accrued income	58,516	10,727
	<u>68,859</u>	<u>11,220</u>

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 as restated £
Other taxation and social security		10,748	5,841
Deferred income	14	53,488	7,553
Trade creditors		21,346	1,433
Other creditors		-	3,122
Accruals		119,373	15,875
		<u>204,955</u>	<u>33,824</u>

A prior year adjustment has been made, as disclosed in note 1.2. A creditor balance of £206,248 in respect of finance leases has been removed from the comparative figures. Of this, £19,288 was previously shown under amounts falling due within one year and £186,960 under amounts due after more than one year.

14 Deferred income

	2022 £	2021 £
Arising from government grants	53,488	5,833
Other deferred income	-	1,720
	<u>53,488</u>	<u>7,553</u>

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Restricted funds

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

	Movement in funds				
	Balance at 1 September 2021	Incoming resources	Resources expended	Transfers	Balance at 31 August 2022
	£	£	£	£	£
BBC CIN	782	3,380	(4,162)	-	-
OCC Life Skills Programme	-	1,500	-	-	1,500
Little Help Fund	848	848	(892)	-	804
ILC Library	-	185	(185)	-	-
IC Mental Health Library	-	72	(621)	549	-
Sleep Project	-	1,508	(914)	-	594
	<u>1,630</u>	<u>7,493</u>	<u>(6,774)</u>	<u>549</u>	<u>2,898</u>

	Movement in funds				
	Balance at 1 September 2020	Incoming resources	Resources expended	Transfers	Balance at 31 August 2021
	£	£	£	£	£
BBC CIN	-	9,392	(8,610)	-	782
Little Help Fund	-	22	826	-	848
OCC staff and premises grants	-	15,000	(15,000)	-	-
Intequal	-	500	(500)	-	-
	<u>-</u>	<u>24,914</u>	<u>(23,284)</u>	<u>-</u>	<u>1,630</u>

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Restricted funds

(Continued)

BBC CIN - BBC Children in Need grant to enable Inclusion Hampshire to employ a music tutor to provide 1-1 therapeutic music sessions to young people who are not accessing mainstream education due mental health and special educational needs.

OCC Life Skills Programme - Funding from Odiham Consolidated Charities (OCC) to deliver a Life Skills Programme, teaching learners and empowering them to develop the skills required to live a more independent life.

Little Help Fund - Funds raised through donations and events to help support our most vulnerable learners during their time at Inclusion School and Inclusion College.

ILC Library - Funds raised through sales of a mental health calendar featuring artwork by students to create a new space to provide inspiration and encourage learners to reconnect with reading.

IC Mental Health Library - Funds raised through sales of a mental health calendar featuring artwork by students to create a Resilience Library to allow independent learning and exploration to allow our learners to find the best resources that suit their needs.

Sleep Project - Funding from BNI International to support young people and their families to provide training sessions for both learners and their parents/carers to help them to understand the benefits of sleep and ways in which they can achieve better sleep health.

OCC staff and premises grant - Funding received from Odiham Consolidated Charities (OCC) to contribute towards the salary of a Learning Support Assistant to work at our Post-16 Learning Centre in Hook before it became a College and funds towards the fitting out of the new college building launched in 2021.

Intequal - An Age Incentive payment to support the salary of a member of staff.

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Designated funds

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

	Movement in funds			
	Balance at 1 September 2021	Incoming resources	Resources expended	Transfers
	£	£	£	£
Expense reserve	200,000	-	-	-
	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

	Movement in funds			
	Balance at 1 September 2020	Incoming resources	Resources expended	Transfers
	£	£	£	£
Expense reserve	100,000	-	-	100,000
	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>

Expense reserve - funds set aside to provide an adequate safety net for the charitable running costs in accordance with the charity's financial controls policy.

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 August 2022 are represented by:				
Tangible assets	111,081	-	-	111,081
Current assets/(liabilities)	204,418	200,000	2,898	407,316
	<u>315,499</u>	<u>200,000</u>	<u>2,898</u>	<u>518,397</u>

	Unrestricted funds 2021 as restated £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 as restated £
Fund balances at 31 August 2021 are represented by:				
Tangible assets	7,777	-	-	7,777
Current assets/(liabilities)	271,656	200,000	1,630	473,286
Long term liabilities - as restated	-	-	-	-
	<u>279,433</u>	<u>200,000</u>	<u>1,630</u>	<u>481,063</u>

18 Operating lease commitments

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

	2022 £	2021 £
Within one year	386,097	23,750
Between two and five years	1,544,388	95,000
In over five years	3,783,437	106,875
	<u>5,713,922</u>	<u>225,625</u>

INCLUSION HAMPSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate remuneration	56,794	52,808