

BIRTENSHAW MERSEYSIDE

England & Wales · Charity number 1176826

Details

Status	Registered
Legal form	Charitable company
Company number	10500399
Registered	2018-01-24
Register	View on the Charity Commission register

Contact

Address	Birtenshaw Darwen Road Bromley Cross Bolton BL7 9AB
Phone	01204304230
Website	www.birtenshaw.org.uk

Activities

Objects: 5.2 TO RELIEVE THE NEEDS OF CHILDREN AND ADULTS WHO ARE DISABLED OR THOSE WITH SPECIAL EDUCATIONAL NEEDS BY PROVIDING RESIDENTIAL HOMES, ASSOCIATED AMENITIES AND / OR CARE SERVICES; AND 5.3 TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION OR OTHER LEISURE TIME OCCUPATION OF INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.

Activities: Birtenshaw Merseyside operates a special school. The charity supports children, young people and young adults who have a moderate to severe learning disability, including Autistic Spectrum conditions and those with a significant physical disability/impairment including complex health needs.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People, People With Disabilities

Geography

- Liverpool City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,821,826	£4,314,053	£7,774,836	66
2024-03-31	£5,270,918	£3,972,064	£6,267,063	61
2023-03-31	£5,067,516	£3,531,532	£4,968,208	74
2022-03-31	£4,925,934	£3,247,475	£3,432,224	69
2021-03-31	£4,672,790	£2,870,384	£1,753,765	63

Trustees

Name	Role	Appointed
Deborah Joanne Sidebottom	Chair	2018-02-12
ANTONY JAMES MORSE		2019-02-26
Craig Ashton		2022-12-06
Glenn Tomison		2024-09-10
James Pilkington		2025-09-09
NDUKA SAMSON ECHIGEME		2025-06-10
PROFESSOR ANTHONY LONG BSC MA PHD		2018-06-12
Phillip Quirk		2025-04-01
Rishi Arya		2022-03-29
Russell Houghton		2024-01-22

Accounts

Birtenshaw Merseyside
(A company limited by guarantee)
Report and Financial Statements
Year ended 31 March 2025
Charity number 1176826
Company number: 10500399

Directors report incorporating Strategic report

The Trustees are pleased to present the strategic report incorporated within the directors' report together with the financial statements of the charity for the year ended 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Structure, governance and management

Birtenshaw Merseyside is a subsidiary of the Birtenshaw group.

Birtenshaw Merseyside is a registered charity and a company limited by guarantee, governed by its Articles of Association.

Strategic development and governance decisions are made by the Board of Trustees, on advice provided by the Chief Executive, with the bulk of the work carried out by a very strong Committee structure following a Directorate model:

1. School Governing body
2. Audit, Finance and Risk

Each of these committees, is chaired by a Trustee and comprises other Trustees, the Chief Executive and the Department Head responsible for the respective Directorate. The full Board of Trustees meets on a bi-monthly basis, following the Directorate Committee meetings.

The Board of Trustees are advised and briefed by the Chief Executive, supported by the Senior Executive Team. This team meet on a weekly basis to ensure the smooth running of the organisation, linked to the Senior Management Team and the wider Management Team.

The Chief Executive communicates with the Chair on a regular basis to discuss the running of the organisation. Major issues are discussed and solutions are agreed where necessary. This enables the Board of Trustees to keep up to date with all services and activities at Birtenshaw Merseyside.

Trustee recruitment and induction

Trustee vacancies are promoted widely, normally in the media and via other organisations and professional bodies so as to encourage a broad and diverse range of applicants. Candidates are invited for a site- visit, encouraged to attend at least one Board meeting and interviewed by the Chair of the Board and the Chief Executive Officer who subsequently make an appointment recommendation to the Board.

On appointment, Trustees are allocated to the Committee structure as appropriate. All new Trustees are provided with an induction which includes relevant reading materials related to the governance of the charity. Training is offered to Trustees as required and a short training session on key issues is provided by the Charity Solicitor at each Board meeting. When circumstances allow an 'away day' event is held annually for Trustees to review and update the strategic plan.

Key management personnel

The Trustees have identified the Senior Executive Team as the key management personnel of the charity. Chief Executive pay is agreed by the Board.

Objectives and activities

The Trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The objects of the Charity as set out in the Articles of Association are

- The advancement of the education of the public in particular but not so as to limit the generality of the foregoing by the provision and maintenance of a school or schools for children and adults with special educational needs and disability;
- To relieve the needs of children and adults who are disabled or those with special educational needs by providing residential homes, associated amenities and/or care services;
- To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The Trustees confirm that Birtenshaw Merseyside has complied with Charity Commission guidelines in relation to Public Benefit.

Birtenshaw Merseyside was established in 2018. A new state of the art special school opened in January 2018 with the first cohort of pupils joining in September 2018. The school includes a range of classroom sizes enabling individual, paired or small group learning environments. There is a sports hall, health and 25m hydrotherapy suite, a range of light and dark sensory rooms, IT and library facilities, a play safe room and a fully kitted out flat where young people can learn independent living skills. The site is on a long-term lease agreement and all the staff are employed jointly by Birtenshaw and Birtenshaw Merseyside.

Principal risks and uncertainties

The management of activities and the implementation of the Birtenshaw Merseyside strategy are subject to a number of risks. The key risks are considered to be reputational such as a serious safeguarding incident, and Regulatory and Compliance matters which could all result in reduced funding. Safeguarding risks are mitigated by ensuring there are robust policies and procedures in place which include recruitment, induction and training for staff, a culture of openness and reporting, internal and external monitoring inspections and reports. Regulatory and compliance risks are mitigated by having policy and procedures aligned with regulations, regulatory inspections, internal and external monitoring inspections and an experienced and knowledgeable staff team.

The Trustees consider exposure to credit risk to be limited as the organisation does not have any external investments. Market risk is always a risk for the organisation, especially due to the current economic situation, however plans are in place and regular budgeting is carried out to mitigate this risk. Liquidity risk is not a risk to the organisation due to its strong cash position.

Birtenshaw group has a risk register which is regularly reviewed by the Senior Executive Team and the Board of Trustees and appropriate processes put in place to monitor and mitigate them.

The process for this is: the risk is identified; control measures are applied to transfer the risk, for example, insurance or activity carried out by another service, accept or tolerate the risk, or, treat or

control the risk, or, stop the activity. Risk is re-assessed at planned regular intervals to monitor and review the effectiveness of either the risk control or the solution.

Achievements and performance

The Charity operates Birtenshaw School Merseyside, an independent special school offering education for children aged 3-19 who have an EHCP (Education Health Care Plan), for pupils with significant physical impairment, complex health needs, learning disability and / or Autistic Spectrum Conditions.

The dynamic and passionate staff team are committed to the Birtenshaw vision of 'Transforming Lives'. We ensure pupils receive the same learning and social opportunities as other pupils; which we achieve by providing facilities which are second to none and a creative curriculum tailored to meet their needs.

Birtenshaw School Merseyside was inspected by Ofsted in July 2023 and the judgement was Good.

The Charity provides high quality services and continues to invest in infrastructure and the school facility. The school has a registration for 80 pupils and is operating at full capacity.

Plans for future periods

Birtenshaw Merseyside's main focus continues to be the delivery of high quality services to larger numbers of pupils with special needs.

Financial review

Birtenshaw Merseyside opened January 2018 but was not fully operational until the first cohort of pupils joined at the start of the 2018/2019 academic year. Since that time pupil numbers have increased and the school is operating almost at capacity.

Total incoming resources for the year were £5.8m (2024: £5.3m), with total resources expended £4.3m (2024: £4.0m), meaning that net incoming resources for the 2024-25 year were circa £1.5m. The Charity is considered a going concern as pupil numbers are at capacity and liabilities can be met as they fall due.

No material income was received from fundraising events.

Reserves policy

The Trustees are responsible for ensuring that the Charity maintains an appropriate level of reserves to meet assessed risk and to manage cash flow. Birtenshaw Merseyside is required to quantify the free reserves position when applying the SORPs definition of free reserves. At 31 March 2025 the free reserves figure is £9.4m (2024: £6.1m).

For the purposes of short and medium term financial management, the Trustees are more concerned with management of cash, and have a target of holding cash levels sufficient to fund three months of ongoing unrestricted expenditure to cover the unlikely eventuality of a material decline in incoming resources. The School is near capacity and demand for services is high with no indication of a downturn.

Operational forecasts are made with a high degree of certainty as they are based on age profiles of the service users and placement growth. In addition the source of income such as contract income from local authorities is stable and reliable. The Trustees consider the charity should be holding three months of expenditure in cash reserves, based on 25/26 forecasts this would equate to £1.5m. The 31 March 2025 cash position is £7.9m therefore exceeding the target.

In May 2025 the Trustees passed a resolution by virtue of an Order from the Charity Commission in accordance with section 105 of the Charities Act 2011, and in furtherance of the Charities objects to donate £6 million to Birtenshaw. The purpose being to support Birtenshaw's charitable activities in

renovating a newly purchased building to enable the College to operate from a temporary facility whilst undergoing development of a new College facility to advance the education of children and adults with special educational needs.

Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Small Company regime

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

This report was approved by the Board of Trustees on 02 December 2025 and signed on its behalf by:



Deborah Sidebottom
Chair of the Board of Trustees

Reference and administrative details

Charity number: 1176826
Company number: 10500399
Registered Office: Darwen Road, Bromley Cross, Bolton. BL7 9AB

Our advisers

External Auditors	Menzies LLP Statutory Auditors	One Express, 1 George Leigh St, Manchester M4 5DL.
Bankers	NatWest Bank	24 Deansgate, Bolton, BL1 1BN
Solicitors	Shakespeare Martineau	Waterfront House, Waterfront Plaza, Nottingham NG2 3DQ

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law.
The Trustees and officers serving during the year and since the year end were as follows:

Key management personnel Birtenshaw: Trustees’ and Directors

Trustees

Ms D Sidebottom	Chair of the Board of Trustees
Mr A Morse	Chair of Care Services Committee
Mr J Pilkington	
Mr R Armitage	Term of office ended 24 February 2025
Mr T Long	
Ms D Thompson	Chair of Education Committee
Mr R Arya	Chair of Audit, Finance and Risk Committee
Mr C Ashton	
Ms S Mather	Resigned 01 October 2024
Mr R Houghton	
Mr G Tomison	
Ms A Konstantopoulou	Appointed 10 June 2025
Mr P Quirk	Appointed 01 April 2025
Mr N Echigeme	Appointed 10 June 2025

Key management personnel
(Senior executive team):

Chief Executive: David Reid
Chief Operating Officer
Assistant Chief Executive:
Services
Assistant Chief Executive:
Resources

Independent Auditor's Report to the members of Birtenshaw Merseyside

Opinion

We have audited the financial statements of Birtenshaw Merseyside "the charitable company" for the year ended 31 March 2025 which comprise the Statement of Financial Activities, Balance Sheet, the Statement of Cash Flows and the related notes including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources for the 31 March 2025;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the

preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the Charities Act 2011, and taxation legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

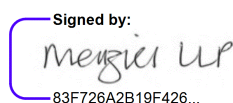
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed by:

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Sue Hutchinson FCCA (Senior Statutory Auditor)

For and on behalf of

Menzies LLP

Statutory Auditor

One Express, 1 George Leigh St, Ancoats,
Manchester M4 5DL

Date: 12-Dec-2025

Birtenshaw Merseyside**Statement of Financial Activities for year ended 31 March 2025**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income from:					
Donations and grants	3	9,428	-	9,428	29,744
Charitable activities	4	5,564,847	-	5,564,847	5,003,111
Other trading activities	5	68,463	-	68,463	54,838
Investment Income	6	179,088	-	179,088	183,225
Total income		5,821,826	-	5,821,826	5,270,918
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities	7	4,309,642	4,411	4,314,053	3,972,064
Total expenditure		4,309,642	4,411	4,314,053	3,972,064
Net income and net movement in funds for the year		1,512,184	(4,411)	1,507,773	1,298,855
Total Funds brought forward		6,262,652	4,411	6,267,063	4,968,208
Total funds carried forward		7,774,836	-	7,774,836	6,267,063

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

All income and expenditure derive from continuing activities.

See Note 24 for Comparative Statement of Financial Activities for year ended 31 March 2024

Birtenshaw Merseyside**Balance Sheet as at 31 March 2025**

	Note	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	15		131,187		158,249
Current assets					
Debtors	16	571,615		483,436	
Cash at bank and in hand		7,930,853		6,284,838	
		<u>8,502,468</u>		<u>6,768,274</u>	
Creditors: amounts falling due within one year	17	<u>(858,819)</u>		<u>(659,460)</u>	
Net current assets			<u>7,643,649</u>		<u>6,108,814</u>
Total assets less current liabilities			<u>7,774,836</u>		<u>6,267,063</u>
			<u>7,774,836</u>		<u>6,267,063</u>
Net Assets			<u>7,774,836</u>		<u>6,267,063</u>
Income funds					
Restricted funds	19		-		4,411
Unrestricted funds			<u>7,774,836</u>		<u>6,262,652</u>
Total funds			<u>7,774,836</u>		<u>6,267,063</u>

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 15 to 26 form part of these accounts.

These financial statements were approved and authorised for issue by the Trustees on 02 December 2025 and signed on their behalf by:



Ms D Sidebottom
Chair of the Board of Trustees



Mr R Arya

Trustee

Trustee

Approved by the Trustees on 02 December 2025

Birtenshaw Merseyside**Statement of Cash Flows for year ended 31 March 2025**

	2025	2024
	£	£
Net cash generated from		
Operating Activities	1,498,794	788,932
Cash flow from investing activities		
Purchase of tangible fixed assets	(31,868)	(21,136)
Interest received	179,089	183,225
	147,221	162,089
Cash flow from financing activities		
Bank loan interest	-	-
Repayment of bank loans	-	-
	-	-
Net change in cash and cash equivalents	1,646,015	951,021
Cash and cash equivalents at beginning of year	6,284,838	5,333,817
Cash and cash equivalents at end of year	7,930,853	6,284,838
Reconciliation of Operating Surplus to Net Cash Inflow		
from Operating Activities	2025	2024
	£	£
Cash generated from operating activities		
Surplus for the financial year	1,507,773	1,298,855
Adjustment for non cash items		
Deprecation of tangible fixed assets	58,930	74,132
Disposal of Fixed assets	-	-
Decrease/(increase) in trade and other debtors	(88,179)	(332,053)
Decrease in trade and other creditors	199,360	(68,777)
Adjustment for investing or financial activities		
Interest paid	-	-
Interest received	(179,089)	(183,225)
Net cash generated from operating activities	1,498,795	788,932

Analysis of changes in net debt

	As at 01 April 2024 £	Cash Flows £	Other changes 2025 £	At 31 March 2025 £
Cash	6,284,838	1,646,015	-	7,930,853
	6,284,838	1,646,015	-	7,930,853

Notes forming part of the financial statements for the year ended 31 March 2025

Notes on the accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birtenshaw Merseyside 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 note(s).

b) Preparation of the accounts on a going concern basis

The Trustees consider the financial position of the Charity on a regular basis as part of Board meeting discussions. In assessing the appropriateness of adopting the going concern basis for the preparation of these financial statements they considered the Charity's three year plan to March 2028, the progress against the plan to date, the expected and secured amount of pupil numbers and the current bank facilities. The Trustees have concluded that the forecasts that have been prepared are appropriate and that the level of secured and expected pupil numbers is of a level that sufficient income will be generated to fund its activities and consequently the Charity can meet its financial obligations as they fall due and hence have concluded that it is appropriate to consider the organisation a going concern.

c) Income

Incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Income receivable is reviewed on an entitlement, certainty and measurement basis. Income not meeting this criterion is treated as deferred income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Income for service charges receivable for children's education are recorded in the Statement of Financial Activities in the year in which they are received; amounts received that relate to academic terms subsequent to the accounting period are deferred.

Investment income is included when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.

Notes forming part of the financial statements for the year ended 31 March 2025

1. Accounting Policies (continued)

d) Resources expended

All expenditure is accounted for on an on-going basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources. The irrecoverable element of VAT is included with the item of expenses to which it relates.

- Costs of generated funds include costs associated with generating incoming resources from all sources other than from undertaking charitable activities.
- Support and central costs represent those costs incurred by the charity to meet its charitable objectives, which cannot be directly attributed to a particular charitable activity.
- Resources expended on charitable activities include all the resources applied by the charity in its undertaking to meet its charitable objectives for the school and the homes.
- Governance costs include those costs incurred in the governance of the charity's assets and are associated with constitutional and statutory requirements.

e) Reserves

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity; unrestricted funds comprise the accumulated surpluses and deficits of unrestricted income and expenditure. Where the Trustees set aside unrestricted funds for specific purposes these are termed designated funds. Restricted funds are those where the donor has imposed restrictions on the use of the funds which are binding. Income arising on restricted funds and expenditure in respect of these funds are reflected through the Statement of Financial Activities.

f) Tangible fixed assets and depreciation

All assets costing more than £1000 are capitalised at cost.

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	-	10% – 33% per annum on a straight-line basis
Motor vehicles	-	20% - 33% per annum on a straight-line basis

g) Leasing and hire purchase commitments

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the Statement of Financial Activities over the period of the lease so as to produce a constant periodic rate of charge.

Notes forming part of the financial statements for the year ended 31 March 2025

1. Accounting Policies (continued)

h) Liquid resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short-term deposits.

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, human resources, payroll and governance costs which support Birtenshaw's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

j) Operating leases

The charity classifies the lease of, printers, IT and sensory equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight-line basis over the term of the lease.

k) Debtors

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

l) Cash at bank and in hand

Cash at bank and cash 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.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The organisation 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.

o) Judgements

The preparation of the financial statements require management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the Trustees, there are no key judgements, estimates or assumptions to be disclosed.

Notes forming part of the financial statements for the year ended 31 March 2025

2. Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the charity may indemnify a Trustee or former Trustee against any liability incurred by him in that capacity to the extent permitted by sections 232 to 234 of the Companies Act 2006.

3. Income from donations and grants

	Unrestricted Funds	Restricted funds	2025 Total funds	2024 Total Funds
	£	£	£	£
Grants receivable for core activities	9,428	-	9,428	29,744
	9,428	-	9,428	29,744

4. Income from charitable activities

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Education	5,564,847	5,003,111
Total income from charitable activities	5,564,847	5,003,111

5. Income earned from other trading activities

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Minor trading operations	68,463	54,838

6. Investment Income

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Interest receivable on bank deposits	179,088	183,225

Notes forming part of the financial statements for the year ended 31 March 2025

7. Analysis of expenditure on charitable activities

	Staff Costs £	Depreciation £	Other Costs £	Total 2025 £	Total 2024 £
Cost of generating funds					
Costs of generating donations and legacies	-	-	-	-	-
Charitable activities					
Education	3,179,362	58,930	1,075,761	4,314,053	3,972,064
Activities undertaken directly (note 7)					
Total	3,179,362	58,930	1,075,761	4,314,053	3,972,064

8. Summary analysis of expenditure for charitable activities

This table shows the cost of the main charitable activity

	Education £	Total 2025 £	Total 2024 £
Costs			
Children's Services	49,172	49,172	54,686
Catering costs	61,934	61,934	56,080
Staff-related costs	10,064	10,064	8,901
Business running costs	809,053	809,053	850,454
Motor and travel	135,216	135,216	114,723
Loan interest	-	-	-
Training expenses	10,323	10,323	11,894
	1,075,762	1,075,762	1,096,738

9. Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned in line with income between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the analysis of support and governance costs.

	Education £	Total 2025 £	Total 2024 £
Legal and other professional fees	4,740	4,740	8,140
Audit fees	7,234	7,234	9,480
Bank charges	218	218	179
Total	12,192	12,192	17,799

Notes forming part of the financial statements for the year ended 31 March 2025

10. Net income for the year

	2025 £	2024 £
This is stated after charging:		
Operating leases – Equipment	-	522
Motor vehicles	94,728	43,515
Properties	405,804	405,804
Depreciation	58,930	74,131
Audit fees	6,620	6,490

11. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2025 £	2024 £
Salaries and wages	2,878,883	2,559,875
Social security costs	155,661	136,635
Pension costs	144,818	108,971
	3,179,362	2,805,481

Salary costs are met by Birtenshaw and recharged directly. The wages costs above include costs for contract workers of £325k. (2024: £254k)

The number of employees whose annual remuneration was £60,000 or more excluding employer NI and pension contributions were:

	2025 Number	2024 Number
£60,001 - £70,000	4	3
£70,001 - £80,000	0	2
£80,001 - £90,001	2	0
£150,001 - £160,000	0	1
£200,001 - £210,000	1	0
£270,001 - £280,000	0	1
£300,001 - £310,000	1	0
	8	7

The charity Trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2024: £nil). They were reimbursed travel expenses during the year of £Nil (2024: £Nil). Related party transactions involving Trustees are detailed at note 13.

The key management personnel of the parent charity, comprise the Trustees and the Senior Executive Team. The total employee benefits (including pension and employers national insurance) of the key management personnel of the group were £923,000 (2024: £780,000). The emoluments of the highest paid director, the Chief Executive excluding pension contributions were £346,067 (2024: £304,187). This is a role across the Birtenshaw Group.

Notes forming part of the financial statements for the year ended 31 March 2025

The Chief Executive is a member of the Greater Manchester Pension Fund and no enhanced or special terms apply. Employer contributions for the Chief Executive were £77,522 (2024: £68,174)

12. Staff Numbers

The average number of employees during the year was as follows:

	2025 Number	2024 Number
Education	80	74
	80	74

The average number of full-time equivalent employees during the year was:

	2025 Number	2024 Number
Education	66	61
	66	61

13. Related party transactions

The company's immediate parent is Birtenshaw, a company incorporated in England and Wales. Company number 2978546, Charity Number 1092798. The principal activity is to provide a range of services for children and adults, with moderate to severe learning disability including Autism Spectrum Conditions and/or significant physical disability, including complex health needs. Consolidated accounts can be obtained from Companies House.

Salary costs are met by Birtenshaw and recharged directly. Other associated costs are met by Birtenshaw and recharged directly.

	2025 £	2024 £
Staff Costs	2,850,915	2,539,982
Other associated costs	11,378	3,849
	2,862,293	2,543,831

The charity enjoys a close working relationship with Tezlom (formally 247 / Professional Health). A Trustee of the Board is a Director and 30% shareholder of Tezlom. The company provides the charity with agency staff to support our activities.

	2025 £	2024 £
Tezlom	915	5,184
	915	5,184

All the above expenditure was included under staffing costs and has been included in the financial statements under expenditure on charitable activities.

At the 31 March 2025 there was a creditor balance with Birtenshaw of £nil (2024: £613)

All the above expenditure has been included in the financial statements under expenditure on charitable activities.

Notes forming part of the financial statements for the year ended 31 March 2025

14. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15. Tangible fixed assets

	Fixtures Fittings and Equipment	Motor vehicles	Total
Cost	£	£	£
At 1 April 2024	395,845	151,238	547,083
Additions	31,868	0	31,868
Disposals	0	(12,750)	(12,750)
At 31 March 2025	427,713	138,488	566,201
Accumulated depreciation			
At 1 April 2024	(294,393)	(94,441)	(388,834)
Charge for the year	(31,232)	(27,698)	(58,930)
Disposals	0	12,750	12,750
At 31 March 2025	(325,625)	(109,389)	(435,014)
Net book value			
At 31 March 2025	102,088	29,099	131,187
At 31 March 2024	101,452	56,797	158,249

Notes forming part of the financial statements for the year ended 31 March 2025

16. Debtors

	2025 £	2024 £
Trade debtors	448,273	339,259
Other debtors	502	185
Prepayments and accrued income	122,840	143,992
	571,615	483,436

17. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	23,096	19,953
Taxes	259,322	0
Other creditors	7,339	7,533
Accruals and deferred income	569,062	631,974
	858,819	659,460

18. Deferred income

Deferred income comprises education income received in advance.

	2025 £	2024 £
Balance as at 1 April 2024	56,159	56,159
Amount released to income earned from charitable activities	(56,159)	(56,159)
Amount deferred in year	89,410	56,159
Balance as at 31 March 2025	89,410	56,159

Notes forming part of the financial statements for the year ended 31 March 2025

19. Funds

Restricted funds

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

	Balance at 1 April 2024 £	Movements in funds			Balance at 31 March 2025 £
		Incoming resources £	Resources expended £	Transfers £	
Sunshine Variety	4,411	-	(4,411)	-	-
	4,411	-	(4,411)	-	-

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Sunshine Variety	8,820	-	(4,409)	-	4,411
	8,820	-	(4,409)	-	4,411

Sunshine Variety provided a grant for the purchase of a vehicle. The grant was restricted to the purchase of a vehicle which is being depreciated over five years.

Unrestricted Funds

	Balance at 1 April 2024 £	Movements in funds			Balance at 31 March 2025 £
		Incoming resources £	Resources expended £	Transfers £	
General fund	6,262,652	5,821,826	(4,309,642)	-	7,774,836
	6,262,652	5,821,826	(4,309,642)	-	7,774,836

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
General fund	4,959,388	5,270,918	(3,967,655)	-	6,262,652
	4,959,388	5,270,918	(3,967,655)	-	6,262,652

Notes forming part of the financial statements for the year ended 31 March 2025**20. Analysis of assets and liabilities between funds**

	Unrestricted 2025	Restricted 2025	Total 2025
Tangible Fixed Assets	131,187	-	131,187
Debtors	571,615	-	571,615
Cash	7,930,853	-	7,930,853
Current Liabilities	(858,819)	-	(858,819)
Total Net Assets	7,774,836	-	7,774,836

2024 Comparative	Unrestricted 2024	Restricted 2024	Total 2024
Tangible Fixed Assets	153,838	4,411	158,249
Debtors	483,436	-	483,436
Cash	6,284,838	-	6,284,838
Current Liabilities	(659,460)	-	(659,460)
Total Net Assets	6,262,652	4,411	6,267,063

21. Commitments under operating leases

At 31 March 2025 the company had annual payment commitments under non-cancellable operating leases as follows:

	2025		2024	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Expiry date:				
Within one year	460,461	80,428	460,461	43,515
Between one and five years	1,841,844	245,038	1,841,844	310,109
Later than five years	5,221,383	-	5,681,844	-
	<u>7,523,688</u>	<u>325,466</u>	<u>7,984,149</u>	<u>353,624</u>
	=====	=====	=====	=====

Notes forming part of the financial statements for the year ended 31 March 2025

22. Statement of Financial Activities for year ended 31 March 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income from:					
Donations and grants	3	29,744	-	29,744	7,076
Charitable activities	4	5,003,111	-	5,003,111	4,958,118
Other trading activities	5	54,838	-	54,838	81,494
Investment Income	6	183,225	-	183,225	20,828
Total income		5,270,918	-	5,270,918	5,067,516
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities	7	3,967,655	4,409	3,972,064	3,531,532
Total expenditure		3,967,655	4,409	3,972,064	3,531,532
Net income and net movement in funds for the year		1,303,264	(4,409)	1,298,855	1,535,984
Total Funds brought forward		4,959,388	8,820	4,968,208	3,432,224
Total funds carried forward		6,262,652	4,411	6,267,063	4,968,208

23. Post-balance sheet events

In May 2025 the Trustees passed a resolution by virtue of an Order from the Charity Commission in accordance with section 105 of the Charities Act 2011, and in furtherance of the Charities objects to donate £6 million to the parent charity, Birtenshaw. The purpose being to support Birtenshaw's charitable activities in renovating a newly purchased building to enable the College to operate from a temporary facility whilst undergoing development of a new College facility to advance the education of children and adults with special educational needs.

Accounts

Birtenshaw Merseyside
(A company limited by guarantee)
Report and Financial Statements
Year ended 31 March 2024
Charity number 1176826
Company number: 10500399

Directors report incorporating Strategic report

The Trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Structure, governance and management

Birtenshaw Merseyside is a subsidiary of the Birtenshaw group.

Birtenshaw Merseyside is a registered charity and a company limited by guarantee, governed by its Articles of Association.

Strategic development and governance decisions are made by the Board of Trustees, on advice provided by the Chief Executive, with the bulk of the work carried out by a very strong Committee structure following a Directorate model:

1. School Governing body
2. Audit, Finance and Risk

Each of these committees, is chaired by a Trustee and comprises other Trustees, the Chief Executive and the Department Head responsible for the respective Directorate. The full Board of Trustees meets on a bi-monthly basis, following the Directorate Committee meetings.

The Board of Trustees are advised and briefed by the Chief Executive, supported by the Senior Executive Team. This team meet on a weekly basis to ensure the smooth running of the organisation, linked to the Senior Management Team and the wider Management Team.

The Chief Executive communicates with the Chair on a regular basis to discuss the running of the organisation. Major issues are discussed and solutions are agreed where necessary. This enables the Board of Trustees to keep up to date with all services and activities at Birtenshaw Merseyside.

Trustee recruitment and induction

Trustee vacancies are promoted widely, normally in the media and via other organisations and professional bodies so as to encourage a broad and diverse range of applicants. Candidates are invited for a site- visit, encouraged to attend at least one Board meeting and interviewed by the Chair of the Board and the Chief Executive Officer who subsequently make an appointment recommendation to the Board.

On appointment, Trustees are allocated to the Committee structure as appropriate. All new Trustees are provided with an induction which includes relevant reading materials related to the governance of the charity. Training is offered to Trustees as required and a short training session on key issues is provided by the Charity Solicitor at each Board meeting. When circumstances allow an 'away day' event is held annually for Trustees to review and update the strategic plan.

Key management personnel

The Trustees have identified the Senior Executive Team as the key management personnel of the charity. Chief Executive pay is agreed by the Board.

Objectives and activities

The Trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The objects of the Charity as set out in the Articles of Association are

- The advancement of the education of the public in particular but not so as to limit the generality of the foregoing by the provision and maintenance of a school or schools for children and adults with special educational needs and disability;
- To relieve the needs of children and adults who are disabled or those with special educational needs by providing residential homes, associated amenities and/or care services;
- To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The Trustees confirm that Birtenshaw Merseyside has complied with Charity Commission guidelines in relation to Public Benefit.

Birtenshaw Merseyside was established in 2018. A new state of the art special school opened in January 2018 with the first cohort of pupils joining in September 2018. The school includes a range of classroom sizes enabling individual, paired or small group learning environments. There is a sports hall, health and 25m hydrotherapy suite, a range of light and dark sensory rooms, IT and library facilities, a play safe room and a fully kitted out flat where young people can learn independent living skills. The site is on a long-term lease agreement and all the staff are employed jointly by Birtenshaw and Birtenshaw Merseyside.

Principal risks and uncertainties

The management of activities and the implementation of the Birtenshaw Merseyside strategy are subject to a number of risks. The key risks are considered to be reputational such as a serious safeguarding incident, and Regulatory and Compliance matters which could all result in reduced funding. Safeguarding risks are mitigated by ensuring there are robust policies and procedures in place which include recruitment, induction and training for staff, a culture of openness and reporting, internal and external monitoring inspections and reports. Regulatory and compliance risks are mitigated by having policy and procedures aligned with regulations, regulatory inspections, internal and external monitoring inspections and an experienced and knowledgeable staff team.

The Trustees consider exposure to credit risk to be limited as the organisation does not have any external investments. Market risk is always a risk for the organisation, especially due to the current economic situation, however plans are in place and regular budgeting is carried out to mitigate this risk. Liquidity risk is not a risk to the organisation due to its strong cash position.

Birtenshaw group has a risk register which is regularly reviewed by the Senior Executive Team and the Board of Trustees and appropriate processes put in place to monitor and mitigate them.

The process for this is: the risk is identified; control measures are applied to transfer the risk, for example, insurance or activity carried out by another service, accept or tolerate the risk, or, treat or control the risk, or, stop the activity. Risk is re-assessed at planned regular intervals to monitor and review the effectiveness of either the risk control or the solution.

Achievements and performance

The Charity operates Birtenshaw School Merseyside, an independent special school offering education for children aged 3-19 who have an EHCP (Education Health Care Plan), for pupils with significant physical impairment, complex health needs, learning disability and / or Autistic Spectrum Conditions.

The dynamic and passionate staff team are committed to the Birtenshaw vision of 'Transforming Lives'. We ensure pupils receive the same learning and social opportunities as other pupils; which we achieve by providing facilities which are second to none and a creative curriculum tailored to meet their needs.

Birtenshaw School Merseyside was inspected by Ofsted in July 2023 and the judgement was Good.

The Charity provides high quality services and continues to invest in infrastructure and the school facility. The school has a registration for 80 pupils and is operating at almost full capacity.

Plans for future periods

Birtenshaw Merseyside's main focus continues to be the delivery of high quality services to larger numbers of pupils with special needs.

Financial review

Birtenshaw Merseyside opened January 2018 but was not fully operational until the first cohort of pupils joined at the start of the 2018/2019 academic year. Since that time pupil numbers have increased and the school is operating at almost full capacity.

Total incoming resources for the year were £5.3m (2023: £5.1m), with total resources expended £4m (2023: £3.5m), meaning that net incoming resources for the 2023-24 year were circa £1.3m. The Charity is considered a going concern as pupil numbers are almost at full capacity and liabilities can be met as they fall due.

No material income was received from fundraising events.

Reserves policy

The Trustees are responsible for ensuring that the Charity maintains an appropriate level of reserves to meet assessed risk and to manage cash flow. Birtenshaw Merseyside is required to quantify the free reserves position when applying the SORPs definition of free reserves. At 31 March 2024 the free reserves figure is £4.8m (2023: £4.7m).

For the purposes of short and medium term financial management, the Trustees are more concerned with management of cash, and have a target of holding cash levels sufficient to fund six months of ongoing unrestricted expenditure to cover the unlikely eventuality of a material decline in incoming resources. The School is near capacity and demand for services is high with no indication of a downturn.

Operational forecasts are made with a high degree of certainty as they are based on age profiles of the service users and placement growth. In addition the source of income such as contract income from local authorities is stable and reliable. The Trustees consider the charity should be holding six months of expenditure in cash reserves, based on 24/25 forecasts this would equate to £2.2m. The 31 March 2024 cash position is £6.3m therefore exceeding the target.

Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Small Company regime

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

This report was approved by the Board of Trustees on 03 December 2024 and signed on its behalf by:

Deborah Sidebottom
Chair of the Board of Trustees



Reference and administrative details

Charity number: 1176826
Company number: 10500399
Registered Office: Darwen Road, Bromley Cross, Bolton. BL7 9AB

Our advisers

External Auditors Beever and Struthers Statutory Auditors One Express, 1 George Leigh St, Manchester M4 5DL.

Bankers NatWest Bank 24 Deansgate, Bolton, BL1 1BN

Solicitors Shakespeare Martineau Waterfront House, Waterfront Plaza, Nottingham NG2 3DQ

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law.

The Trustees and officers serving during the year and since the year end were as follows:

Key management personnel Birtenshaw: Trustees' and Directors

Trustees

Ms D Sidebottom	Chair of the Board of Trustees
Mr A Morse	Chair of Care Services Committee
Mr J Pilkington	
Mr M Walmsley	Resigned 22 January 2024
Mr R Armitage	
Mr T Long	
Ms D Thompson	Chair of Education Committee
Mr R Ayra	Chair of Audit, Finance and Risk Committee
Mr C Ashton	
Ms S Mather	Resigned 01 October 2024
Mr R Houghton	Appointed 22 January 2024
Mr G Tomison	Appointed 10 September 2024

Key management personnel

(Senior executive team):

Chief Executive: David Reid
Chief Operating Officer
Assistant Chief Executive:
Services
Assistant Chief Executive:
Resources

Independent Auditor's Report to the members of Birtenshaw Merseyside

Opinion

We have audited the financial statements of Birtenshaw Merseyside "the charitable company" for the year ended 31 March 2024 which comprise the Statement of Financial Activities, Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources for the 31 March 2024;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the Charities Act 2011, and taxation legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

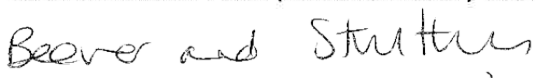
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Sue Hutchinson FCCA (Senior Statutory Auditor)



For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

One Express, 1 George Leigh St, Ancoats,
Manchester M4 5DL

Date: 17 December 2024

Birtenshaw Merseyside

Statement of Financial Activities for year ended 31 March 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income from:					
Donations and grants	3	29,744	-	29,744	7,076
Charitable activities	4	5,003,111	-	5,003,111	4,958,118
Other trading activities	5	54,838	-	54,838	81,494
Investment Income	6	183,225	-	183,225	20,828
Total income		5,270,918	-	5,270,918	5,067,516
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities	7	3,967,655	4,409	3,972,064	3,531,532
Total expenditure		3,967,655	4,409	3,972,064	3,531,532
Net income and net movement in funds for the year		1,303,264	(4,409)	1,298,855	1,535,984
Total Funds brought forward		4,959,388	8,820	4,968,208	3,432,224
Total funds carried forward		6,262,652	4,411	6,267,063	4,968,208

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

All income and expenditure derive from continuing activities.

See Note 24 for Comparative Statement of Financial Activities for year ended 31 March 2023

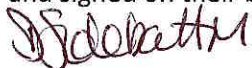
Birtenshaw Merseyside**Balance Sheet as at 31 March 2024**

	Note	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	15		158,249		211,244
Current assets					
Debtors	16	483,436		151,382	
Cash at bank and in hand		6,284,838		5,333,817	
		<u>6,768,274</u>		<u>5,485,199</u>	
Creditors: amounts falling due within one year	17	<u>(659,460)</u>		<u>(728,235)</u>	
Net current assets			6,108,814		4,756,964
Total assets less current liabilities			<u>6,267,063</u>		<u>4,968,208</u>
Net Assets			<u>6,267,063</u>		<u>4,968,208</u>
Income funds					
Restricted funds	19		4,411		8,820
Unrestricted funds			6,262,652		4,959,388
Total funds			<u>6,267,063</u>		<u>4,968,208</u>

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 15 to 26 form part of these accounts.

These financial statements were approved and authorised for issue by the Trustees on 03 December 2024 and signed on their behalf by:



Ms D Sidebottom
Chair of the Board of Trustees



Mr R Arya

Trustee

Trustee

Approved by the Trustees on 03 December 2024

Birtenshaw Merseyside**Statement of Cash Flows for year ended 31 March 2024**

	2024	2023
	£	£
Net cash generated from Operating Activities	788,932	1,684,225
Cash flow from investing activities		
Purchase of tangible fixed assets	(21,136)	(113,021)
Interest received	183,225	20,828
	<u>162,089</u>	<u>(92,193)</u>
Cash flow from financing activities		
Bank loan interest	-	(1,330)
Repayment of bank loans	-	(32,236)
	<u>-</u>	<u>(33,566)</u>
Net change in cash and cash equivalents	951,021	1,558,466
Cash and cash equivalents at beginning of year	5,333,817	3,775,351
Cash and cash equivalents at end of year	6,284,838	5,333,817
 Reconciliation of Operating Surplus to Net Cash Inflow from Operating Activities		
	2024	2023
	£	£
Cash generated from operating activities		
Surplus for the financial year	1,298,855	1,535,984
Adjustment for non cash items		
Deprecation of tangible fixed assets	74,132	86,415
Disposal of Fixed assets	-	-
Decrease/(increase) in trade and other debtors	(332,053)	85,997
Decrease in trade and other creditors	(68,777)	(4,672)
Adjustment for investing or financial activities		
Interest paid	-	1,330
Interest received	(183,225)	(20,829)
Net cash generated from operating activities	788,932	1,684,225

Analysis of changes in net debt

	As at 01 April 2023 £	Cash Flows £	Other changes 2024 £	At 31 March 2024 £
Cash	5,333,817	951,021	-	6,284,838
	5,333,817	951,021	-	6,284,838

Notes on the accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birtenshaw Merseyside 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 note(s).

b) Preparation of the accounts on a going concern basis

The Trustees consider the financial position of the Charity on a regular basis as part of Board meeting discussions. In assessing the appropriateness of adopting the going concern basis for the preparation of these financial statements they considered the Charity's three year plan to March 2026, the progress against the plan to date, the expected and secured amount of pupil numbers and the current bank facilities. The Trustees have concluded that the forecasts that have been prepared are appropriate and that the level of secured and expected pupil numbers is of a level that sufficient income will be generated to fund its activities and consequently the Charity can meet its financial obligations as they fall due and hence have concluded that it is appropriate to consider the organisation a going concern.

c) Income

Incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Income receivable is reviewed on an entitlement, certainty and measurement basis. Income not meeting this criterion is treated as deferred income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Income for service charges receivable for children's education are recorded in the Statement of Financial Activities in the year in which they are received; amounts received that relate to academic terms subsequent to the accounting period are deferred.

Investment income is included when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.

1. Accounting Policies (continued)

d) Resources expended

All expenditure is accounted for on an on-going basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources. The irrecoverable element of VAT is included with the item of expenses to which it relates.

- Costs of generated funds include costs associated with generating incoming resources from all sources other than from undertaking charitable activities.
- Support and central costs represent those costs incurred by the charity to meet its charitable objectives, which cannot be directly attributed to a particular charitable activity.
- Resources expended on charitable activities include all the resources applied by the charity in its undertaking to meet its charitable objectives for the school and the homes.
- Governance costs include those costs incurred in the governance of the charity's assets and are associated with constitutional and statutory requirements.

e) Reserves

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity; unrestricted funds comprise the accumulated surpluses and deficits of unrestricted income and expenditure. Where the Trustees set aside unrestricted funds for specific purposes these are termed designated funds. Restricted funds are those where the donor has imposed restrictions on the use of the funds which are binding. Income arising on restricted funds and expenditure in respect of these funds are reflected through the Statement of Financial Activities.

f) Tangible fixed assets and depreciation

All assets costing more than £1000 are capitalised at cost.

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	-	10% – 33% per annum on a straight line basis
Motor vehicles	-	20% - 33% per annum on a straight line basis

g) Leasing and hire purchase commitments

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the Statement of Financial Activities over the period of the lease so as to produce a constant periodic rate of charge.

1. Accounting Policies (continued)

h) Liquid resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short term deposits.

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, human resources, payroll and governance costs which support Birtenshaw's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

j) Operating leases

The charity classifies the lease of, printers, IT and sensory equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight line basis over the term of the lease.

k) Debtors

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

l) Cash at bank and in hand

Cash at bank and cash 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.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The organisation 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.

o) Judgements

The preparation of the financial statements require management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the Trustees, there are no key judgements, estimates or assumptions to be disclosed.

2. Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the charity may indemnify a Trustee or former Trustee against any liability incurred by him in that capacity to the extent permitted by sections 232 to 234 of the Companies Act 2006.

3. Income from donations and grants

	Unrestricted Funds	Restricted funds	2024 Total funds	2023 Total Funds
	£	£	£	£
Grants receivable for core activities	29,744	-	29,744	7,076
	29,744	-	29,744	7,076

4. Income from charitable activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Education	5,003,111	4,958,118
Total income from charitable activities	5,003,111	4,958,118

5. Income earned from other trading activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Minor trading operations	54,838	81,494

6. Investment Income

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable on bank deposits	183,225	20,828

7. Analysis of expenditure on charitable activities

	Staff Costs £	Depreciation £	Other Costs £	Total 2024 £	Total 2023 £
Cost of generating funds					
Costs of generating donations and legacies	-	-	-	-	-
Charitable activities					
Education	2,805,481	74,131	1,092,452	3,972,064	3,531,532
Activities undertaken directly (note 7)					
Total	2,805,481	74,131	1,092,452	3,972,064	3,531,532

8. Summary analysis of expenditure for charitable activities

This table shows the cost of the main charitable activity

	Education £	Total 2024 £	Total 2023 £
Costs			
Children's Services	54,686	54,686	31,145
Catering costs	56,080	56,080	42,731
Staff-related costs	8,901	8,901	7,518
Business running costs	850,454	850,454	722,705
Motor and travel	114,723	114,723	125,312
Loan interest	-	-	1,330
Training expenses	11,894	11,894	17,853
	1,096,738	1,096,738	948,594

9. Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned in line with income between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the analysis of support and governance costs.

	Education £	Total 2024 £	Total 2023 £
Legal and other professional fees	8,140	8,140	2,280
Audit fees	9,480	9,480	7,680
Bank charges	179	179	120
Total	17,799	17,799	10,080

10. Net income for the year

	2024	2023
This is stated after charging:	£	£
Operating leases – Equipment	522	1,499
Motor vehicles	43,515	80,434
Properties	405,804	405,804
Depreciation	74,131	86,415
Audit fees	6,490	6,100

11. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2024	2023
	£	£
Salaries and wages	2,559,875	2,273,343
Social security costs	136,635	121,201
Pension costs	108,971	101,979
	2,805,481	2,496,523

Salary costs are met by Birtenshaw and recharged directly. The wages costs above include costs for contract workers of £254k. (2023: £262k)

The number of employees whose annual remuneration was £60,000 or more excluding employer national insurance and pension were:

	2024	2023
	Number	Number
£60,001 - £70,000	3	2
£70,001 - £80,000	2	0
£130,001 - £140,000	0	2
£150,001 - £160,000	1	0
£190,001 - £200,000	0	1
£270,001 - £280,000	1	0
	7	5

The charity Trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2023: £nil). They were reimbursed travel expenses during the year of £Nil (2023: £90). Related party transactions involving Trustees are detailed at note 13.

The key management personnel of the parent charity, comprise the Trustees and the Senior Executive Team. The total employee benefits (including pension and employers national insurance) of the key management personnel of the Trust were £780,000 (2023: £637,081). The emoluments of the highest paid director, the Chief Executive excluding pension contributions were £304,187 (2023: £217,942). This is a role across the Group.

Notes forming part of the financial statements for the year ended 31 March 2024

The Chief Executive is a member of the Greater Manchester Pension Fund and no enhanced or special terms apply. Employer contributions for the Chief Executive were £68,174 (2023: £48,870)

12. Staff Numbers

The average number of employees during the year was as follows:

	2024 Number	2023 Number
Education	74	74
	74	74

The average number of full-time equivalent employees during the year was:

	2024 Number	2023 Number
Education	61	61
	61	61

13. Related party transactions

The company's immediate parent is Birtenshaw, a company incorporated in England and Wales. Company number 2978546, Charity Number 1092798. The principle activity is to provide a range of services for children and adults, with moderate to severe learning disability including Autism Spectrum Conditions and/or significant physical disability, including complex health needs. Consolidated accounts can be obtained from Companies House.

Salary costs are met by Birtenshaw and recharged directly. Other associated costs are met by Birtenshaw and recharged directly.

	2024 £	2023 £
Staff Costs	2,539,982	2,245,982
Other associated costs	3,849	7,902
	2,543,831	2,253,884

The charity enjoys a close working relationship with Tezlom (formally 247 / Professional Health). A Trustee of the Board is a Director and 30% shareholder of Tezlom. The company provides the charity with agency staff to support our activities.

	2024 £	2023 £
Tezlom	5,184	14,750
	5,184	14,750

All the above expenditure was included under staffing costs, and has been included in the financial statements under expenditure on charitable activities.

At the 31 March 2024 there was a trade creditor of nil (2023: £nil).

All the above expenditure has been included in the financial statements under expenditure on charitable activities.

Notes forming part of the financial statements for the year ended 31 March 2024

At the 31 March 2024 there was a creditor balance with Birtenshaw of £613 (2023: £1,354)

14. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15. Tangible fixed assets

	Fixtures, Fittings And Equipment	Motor Vehicles	Total
Cost:	£	£	£
As at 1 April 2023	381,859	144,088	525,947
Additions	13,986	7,150	21,136
As at 31 March 2024	395,845	151,238	547,083
Depreciation:			
As at 1 April 2023	(247,711)	(66,992)	(314,703)
Charge for the year	(46,682)	(27,449)	(74,131)
As at 31 March 2024	(294,393)	(94,441)	(388,834)
Net book value			
As at 31 March 2024	101,452	56,797	158,249
As at 31 March 2023	134,148	77,096	211,244

16. Debtors

	2024 £	2023 £
Trade debtors	339,259	32,669
Other debtors	185	375
Prepayments and accrued income	143,992	118,338
	483,436	151,382

17. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	19,953	40,649
Other creditors	7,533	5,069
Accruals and deferred income	631,974	682,517
	659,460	728,235

18. Deferred income

Deferred income comprises education income received in advance.

	2024 £	2023 £
Balance as at 1 April 2023	56,159	-
Amount released to income earned from charitable activities	(56,159)	-
Amount deferred in year	56,159	56,159
Balance as at 31 March 2024	56,159	56,159

19. Funds

Restricted funds

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

	Balance at 1 April 2023 £	Movements in funds			Balance at 31 March 2024 £
		Incoming resources £	Resources expended £	Transfers £	
Sunshine Variety	8,820	-	(4,409)	-	4,411
	8,820	-	(4,409)	-	4,411

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Sunshine Variety	13,229	-	(4,409)	-	8,820
	13,229	-	(4,409)	-	8,820

Sunshine Variety provided a grant for the purchase of a vehicle. The grant was restricted to the purchase of a vehicle which is being depreciated over five years.

Unrestricted Funds

	Balance at 1 April 2023 £	Movements in funds			Balance at 31 March 2024 £
		Incoming resources £	Resources expended £	Transfers £	
General fund	4,959,388	5,270,918	(3,967,655)	-	6,262,652
	4,959,388	5,270,918	(3,967,655)	-	6,262,652

	Balance at 1 April 2022 £	Movements in funds			Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	Transfers £	
General fund	3,418,995	5,067,516	(3,527,123)	-	4,959,388
	3,418,995	5,067,516	(3,527,123)	-	4,959,388

20. Analysis of assets and liabilities between funds

	Unrestricted 2024	Restricted 2024	Total 2024
Tangible Fixed Assets	153,838	4,411	158,249
Debtors	483,436	-	483,436
Cash	6,284,838	-	6,284,838
Current Liabilities	(659,460)	-	(659,460)
Total Net Assets	6,262,652	4,411	6,267,063
2023 Comparative	Unrestricted 2023	Restricted 2023	Total 2023
Tangible Fixed Assets	202,424	8,820	211,244
Debtors	151,382	-	151,382
Cash	5,333,817	-	5,333,817
Current Liabilities	(728,235)	-	(728,235)
Total Net Assets	4,959,388	8,820	4,968,208

21. Commitments under operating leases

At 31 March 2024 the company had annual payment commitments under non-cancellable operating leases as follows:

	2024		2023	
	Land & Buildings	Other	Land & Buildings	Other
	£	£	£	£
Expiry date:				
Within one year	460,461	43,515	460,461	80,434
Between one and two years	1,841,844	310,109	1,841,844	37,635
Between two and five years	5,681,844	-	6,142,305	-
	<u>7,984,149</u>	<u>353,624</u>	<u>8,444,610</u>	<u>118,069</u>

22. Post-balance sheet events

None

23. Statement of Financial Activities for year ended 31 March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income from:					
Donations and grants		7,076	-	7,076	14,130
Charitable activities		4,978,946	-	4,978,946	4,860,638
Other trading activities		81,494	-	81,494	51,166
Total income		5,067,516	-	5,067,516	4,925,934
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities		3,527,123	4,409	3,531,532	3,247,475
Total expenditure		3,527,123	4,409	3,531,532	3,247,475

Notes forming part of the financial statements for the year ended 31 March 2024

Net income and net movement in funds for the year	1,540,393	(4,409)	1,535,984	1,678,459
Total Funds brought forward	3,418,995	13,229	3,432,224	1,753,765
Total funds carried forward	4,959,388	8,820	4,968,208	3,432,224

Accounts

Birtenshaw Merseyside
(A company limited by guarantee)
Report and Financial Statements
Year ended 31 March 2023
Charity number 1176826
Company number: 10500399

The Trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Structure, governance and management

Birtenshaw Merseyside is a subsidiary of the Birtenshaw group.

Birtenshaw Merseyside is a registered charity and a company limited by guarantee, governed by its Articles of Association.

Strategic development and governance decisions are made by the Board of Trustees, on advice provided by the Chief Executive, with the bulk of the work carried out by a very strong Committee structure following a Directorate model:

1. School Governing body
2. Audit, Finance and Risk

Each of these committees, is chaired by a Trustee and comprises other Trustees, the Chief Executive and the Department Head responsible for the respective Directorate. The full Board of Trustees meets on a bi-monthly basis, following the Directorate Committee meetings.

The Board of Trustees are advised and briefed by the Chief Executive, supported by the Senior Executive Team. This team meet on a weekly basis to ensure the smooth running of the organisation, linked to the Senior Management Team and the wider Management Team.

The Chief Executive communicates with the Chair on a regular basis to discuss the running of the organisation. Major issues are discussed and solutions are agreed where necessary. This enables the Board of Trustees to keep up to date with all services and activities at Birtenshaw Merseyside.

Trustee recruitment and induction

Trustee vacancies are promoted widely, normally in the media and via other organisations and professional bodies so as to encourage a broad and diverse range of applicants. Candidates are invited for a site- visit, encouraged to attend at least one Board meeting and interviewed by the Chair of the Board and the Chief Executive Officer who subsequently make an appointment recommendation to the Board.

On appointment, Trustees are allocated to the Committee structure as appropriate. All new Trustees are provided with an induction which includes relevant reading materials related to the governance of the charity. Training is offered to Trustees as required and a short training session on key issues is provided by the Charity Solicitor at each Board meeting. When circumstances allow an 'away day' event is held annually for Trustees to review and update the strategic plan.

Key management personnel

The Trustees have identified the Senior Executive Team as the key management personnel of the charity. Chief Executive pay is agreed by the Board.

Objectives and activities

The Trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The objects of the Charity as set out in the Articles of Association are

- The advancement of the education of the public in particular but not so as to limit the generality of the foregoing by the provision and maintenance of a school or schools for children and adults with special educational needs and disability;
- To relieve the needs of children and adults who are disabled or those with special educational needs by providing residential homes, associated amenities and/or care services;
- To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The Trustees confirm that Birtenshaw Merseyside has complied with Charity Commission guidelines in relation to Public Benefit.

Birtenshaw Merseyside was established in 2018. A new state of the art special school opened in January 2018 with the first cohort of pupils joining in September 2018. The school includes a range of classroom sizes enabling individual, paired or small group learning environments. There is a sports hall, health and 25m hydrotherapy suite, a range of light and dark sensory rooms, IT and library facilities, a play safe room and a fully kitted out flat where young people can learn independent living skills. The site is on a long-term lease agreement and all the staff are employed jointly by Birtenshaw and Birtenshaw Merseyside.

Principal risks and uncertainties

The management of activities and the implementation of the Birtenshaw Merseyside strategy are subject to a number of risks. The key risks are considered to be reputational such as a serious safeguarding incident, and Regulatory and Compliance matters which could all result in reduced funding. Safeguarding risks are mitigated by ensuring there are robust policies and procedures in place which include recruitment, induction and training for staff, a culture of openness and reporting, internal and external monitoring inspections and reports. Regulatory and compliance risks are mitigated by having policy and procedures aligned with regulations, regulatory inspections, internal and external monitoring inspections and an experienced and knowledgeable staff team.

The Trustees consider exposure to credit risk to be limited as the organisation does not have any external investments. Market risk is always a risk for the organisation, especially due to the current economic situation, however plans are in place and regular budgeting is carried out to mitigate this risk. Liquidity risk is not a risk to the organisation due to its strong cash position.

Birtenshaw group has a risk register which is regularly reviewed by the Senior Executive Team and the Board of Trustees and appropriate processes put in place to monitor and mitigate them.

The process for this is: the risk is identified; control measures are applied to transfer the risk, for example, insurance or activity carried out by another service, accept or tolerate the risk, or, treat or

control the risk, or, stop the activity. Risk is re-assessed at planned regular intervals to monitor and review the effectiveness of either the risk control or the solution.

Achievements and performance

The Charity provides high quality services and continues to invest in infrastructure and the school facility. The school has a registration for 80 pupils and is operating at full capacity.

Plans for future periods

Birtenshaw Merseyside's main focus continues to be the delivery of high quality services to larger numbers of pupils with special needs.

Financial review

Birtenshaw Merseyside opened January 2018 but was not fully operational until the first cohort of pupils joined at the start of the 2018/2019 academic year. Since that time pupil numbers have increased and the school is operating at full capacity.

Total incoming resources for the year were £5m (2022: £4.9m), with total resources expended £3.5m (2022: £3.2m), meaning that net incoming resources for the 2022-23 year were circa £1.5m. The Charity is considered a going concern as pupil numbers are near full capacity and liabilities can be met as they fall due.

No material income was received from fundraising events.

Reserves policy

The Trustees are responsible for ensuring that the Charity maintains an appropriate level of reserves to meet assessed risk and to manage cash flow. Birtenshaw Merseyside is required to quantify the free reserves position when applying the SORPs definition of free reserves. At 31 March 2023 the free reserves figure is £4.7m (2022: £3.2m).

For the purposes of short and medium term financial management, the Trustees are more concerned with management of cash, and have a target of holding cash levels sufficient to fund three months of ongoing unrestricted expenditure to cover the unlikely eventuality of a material decline in incoming resources. The School is near capacity and demand for services is high with no indication of a downturn.

Operational forecasts are made with a high degree of certainty as they are based on age profiles of the service users and placement growth. In addition the source of income such as contract income from local authorities is stable and reliable. The Trustees consider the charity should be holding six months of expenditure in cash reserves, based on 23/24 forecasts this would equate to £2m. The 31 March 2023 cash position is £5.3m therefore exceeding the target.

Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Small Company regime

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

This report was approved by the Board of Trustees on 05 December 2023 and signed on its behalf by:



Deborah Sidebottom
Chair of the Board of Trustees

Reference and administrative details

Charity number: 1176826
Company number: 10500399
Registered Office: Darwen Road, Bromley Cross, Bolton. BL7 9AB

Our advisers

External Auditors Beever and Struthers Statutory Auditors One Express, 1 George Leigh St, Manchester M4 5DL.

Bankers NatWest Bank 24 Deansgate, Bolton, BL1 1BN

Solicitors Shakespeare Martineau Waterfront House, Waterfront Plaza, Nottingham NG2 3DQ

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law.

The Trustees and officers serving during the year and since the year end were as follows:

Key management personnel Birtenshaw: Trustees' and Directors

Trustees

Ms D Sidebottom	Chair of the Board of Trustees
Mr A Morse	Chair of Care Services Committee
Mr J Pilkington	
Mr M Walmsley	Chair of Audit, Finance and Risk Committee
Mr R Armitage	
Mr T Long	
Ms D Thompson	Chair of Education Committee
Mr R Ayra	
Mr C Ashton	
Ms S Mather	Appointed 20 June 2023

Key management personnel

(Senior executive team):

Chief Executive: David Reid

Chief Operating Officer

Deputy Chief Executive:

Operations (up to
31/03/2023)

Assistant Chief Executive:

Operations (from 01/04/2023)

Assistant Chief Executive:

Resources (from 01/04/2023)

Independent Auditor's Report to the members of Birtenshaw Merseyside

Opinion

We have audited the financial statements of Birtenshaw Merseyside "the charitable company" for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources for the 31 March 2023;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the Charities Act 2011, and taxation legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Sue Hutchinson (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

One Express
1 George Leigh Street
Ancoats
Manchester
M4 5DL

Date: 18 December 2023

Birtenshaw Merseyside

Statement of Financial Activities for year ended 31 March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income from:					
Donations and grants	3	7,076	-	7,076	14,130
Charitable activities	4	4,978,946	-	4,978,946	4,860,638
Other trading activities	5	81,494	-	81,494	51,166
Total income		5,067,516	-	5,067,516	4,925,934
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities	6	3,527,123	4,409	3,531,532	3,247,475
Total expenditure		3,527,123	4,409	3,531,532	3,247,475
Net income and net movement in funds for the year		1,540,393	(4,409)	1,535,984	1,678,459
Total Funds brought forward		3,418,995	13,229	3,432,224	1,753,765
Total funds carried forward		4,959,388	8,820	4,968,208	3,432,224

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

All income and expenditure derive from continuing activities.

See Note 23 for Comparative Statement of Financial Activities for year ended 31 March 2022

Birtenshaw Merseyside**Balance Sheet as at 31 March 2023**

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	14		211,244		184,638
Current assets					
Debtors	15	151,382		237,381	
Cash at bank and in hand		5,333,817		3,775,351	
		<u>5,485,199</u>		<u>4,012,732</u>	
Creditors: amounts falling due within one year	16	<u>(728,235)</u>		<u>(765,146)</u>	
Net current assets			4,756,964		3,247,586
Total assets less current liabilities			<u>4,968,208</u>		<u>3,432,224</u>
Creditors: amounts falling due after more than one year			-		-
Net Assets			<u>4,968,208</u>		<u>3,432,224</u>
Income funds					
Restricted funds	21		8,820		13,229
Unrestricted funds			4,959,388		3,418,995
Total funds			<u>4,968,208</u>		<u>3,432,224</u>

These financial statements were approved and authorised for issue by the Trustees on 05 December 2023 and signed on their behalf by:

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 14 to 25 form part of these accounts

Ms D Sidebottom
Chair of the Board of Trustees

Trustee

Mr M Walmsley

Trustee

Approved by the Trustees on 05 December 2023

Birtenshaw Merseyside**Statement of Cash Flows for year ended 31 March 2023**

	2023	2022
	£	£
Net cash generated from		
Operating Activities	1,684,225	1,597,231
Cash flow from investing activities		
Purchase of tangible fixed assets	(113,021)	(28,406)
Interest received	20,828	316
	(92,193)	(28,090)
Cash flow from financing activities		
Bank loan interest	(1,330)	(8,852)
Repayment of bank loans	(32,236)	(55,008)
	(33,566)	(63,860)
Net change in cash and cash equivalents	1,558,466	1,505,281
Cash and cash equivalents at beginning of year	3,775,351	2,270,070
Cash and cash equivalents at end of year	5,333,817	3,775,351
 Reconciliation of Operating Surplus to Net Cash Inflow		
from Operating Activities	2023	2022
	£	£
Cash generated from operating activities		
Surplus for the financial year	1,535,984	1,678,459
Adjustment for non cash items		
Deprecation of tangible fixed assets	86,415	84,664
Decrease/(increase) in trade and other debtors	85,997	(99,349)
Decrease in trade and other creditors	(4,672)	(75,079)
Adjustment for investing or financial activities		
Interest paid	1,330	8,852
Interest received	(20,829)	(316)
Net cash generated from operating activities	1,684,225	1,597,231

Analysis of changes in net debt

	As at 01 April 2022 £	Cash Flows £	Other changes 2023 £	At 31 March 2023 £
Cash	3,775,351	1,558,466	-	5,333,817
Bank Loans	(32,237)		32,237	-
	3,743,114	1,558,466	32,237	5,333,817

Notes on the accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birtenshaw Merseyside 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 note(s).

b) Preparation of the accounts on a going concern basis

The Trustees consider the financial position of the Charity on a regular basis as part of Board meeting discussions. In assessing the appropriateness of adopting the going concern basis for the preparation of these financial statements they considered the Charity's three year plan to March 2026, the progress against the plan to date, the expected and secured amount of pupil numbers and the current bank facilities. The Trustees have concluded that the forecasts that have been prepared are appropriate and that the level of secured and expected pupil numbers is of a level that sufficient income will be generated to fund its activities and consequently the Charity can meet its financial obligations as they fall due and hence have concluded that it is appropriate to consider the organisation a going concern.

c) Income

Incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Income receivable is reviewed on an entitlement, certainty and measurement basis. Income not meeting this criterion is treated as deferred income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Income for service charges receivable for children's education are recorded in the Statement of Financial Activities in the year in which they are received; amounts received that relate to academic terms subsequent to the accounting period are deferred.

Investment income is included when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.

1. Accounting Policies (continued)

d) Resources expended

All expenditure is accounted for on an on-going basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources. The irrecoverable element of VAT is included with the item of expenses to which it relates.

- Costs of generated funds include costs associated with generating incoming resources from all sources other than from undertaking charitable activities.
- Support and central costs represent those costs incurred by the charity to meet its charitable objectives, which cannot be directly attributed to a particular charitable activity.
- Resources expended on charitable activities include all the resources applied by the charity in its undertaking to meet its charitable objectives for the school and the homes.
- Governance costs include those costs incurred in the governance of the charity's assets and are associated with constitutional and statutory requirements.

e) Reserves

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity; unrestricted funds comprise the accumulated surpluses and deficits of unrestricted income and expenditure. Where the Trustees set aside unrestricted funds for specific purposes these are termed designated funds. Restricted funds are those where the donor has imposed restrictions on the use of the funds which are binding. Income arising on restricted funds and expenditure in respect of these funds are reflected through the Statement of Financial Activities.

f) Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised at cost.

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	-	10% – 33% per annum on a straight line basis
Motor vehicles	-	20% - 33% per annum on a straight line basis

g) Leasing and hire purchase commitments

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the Statement of Financial Activities over the period of the lease so as to produce a constant periodic rate of charge.

1. Accounting Policies (continued)

h) Liquid resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short term deposits.

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, human resources, payroll and governance costs which support Birtenshaw's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

j) Operating leases

The charity classifies the lease of, printers, IT and sensory equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight line basis over the term of the lease.

k) Debtors

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

l) Cash at bank and in hand

Cash at bank and cash 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.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The organisation 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.

o) Judgements

The preparation of the financial statements require management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the Trustees, there are no key judgements, estimates or assumptions to be disclosed.

2. Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the charity may indemnify a Trustee or former Trustee against any liability incurred by him in that capacity to the extent permitted by sections 232 to 234 of the Companies Act 2006.

3. Income from donations and grants

	Unrestricted Funds £	Restricted funds £	2023 Total funds £	2022 Total Funds £
Donations	-	-	-	127
Grants receivable for core activities	7,076	-	7,076	14,003
	7,076	-	7,076	14,130

4. Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Education	4,978,946	4,860,638
Total income from charitable activities	4,978,946	4,860,638

5. Income earned from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Minor trading operations	81,494	51,166

6. Analysis of expenditure on charitable activities

	Staff Costs £	Depreciation £	Other Costs £	Total 2023 £	Total 2022 £
Cost of generating funds					
Costs of generating donations and legacies	-	-	-	-	-
Charitable activities					
Education	2,496,523	86,415	948,594	3,531,532	3,247,475
Activities undertaken directly (note 7)					
Total	2,496,523	86,415	948,594	3,531,532	3,247,475

7. Summary analysis of expenditure for charitable activities

This table shows the cost of the main charitable activity

	Education £	Total 2023 £	Total 2022 £
Costs			
Children's Services	31,145	31,145	31,748
Catering costs	42,731	42,731	69,997
Staff-related costs	7,518	7,518	7,547
Business running costs	722,705	722,705	676,961
Motor and travel	125,312	125,312	104,751
Loan interest	1,330	1,330	8,947
Training expenses	17,853	17,853	6,902
	948,594	948,594	906,853

8. Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned in line with income between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the analysis of support and governance costs.

	Education £	Total 2023 £	Total 2022 £
Legal and other professional fees	2,280	2,280	4,305
Audit fees	7,680	7,680	6,922
Bank charges	120	120	95
Total	10,080	10,080	11,322

9. Net income for the year

	2023	2022
This is stated after charging:	£	£
Operating leases – Equipment	1,499	1,794
Motor vehicles	80,434	70,763
Properties	405,804	404,076
Depreciation	86,415	84,664
Audit fees	6,100	5,700

10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2023	2022
	£	£
Salaries and wages	2,273,343	2,053,187
Social security costs	121,201	103,547
Pension costs	101,979	99,225
	2,496,523	2,255,959

Salary costs are met by Birtenshaw and recharged directly. The wages costs above include costs for contract workers of £262k. (2022: £225k)

The number of employees whose annual remuneration was £60,000 or more were:

	2023	2022
	Number	Number
£60,001 - £70,000	2	0
£120,001 - £130,000	0	1
£130,001 - £140,000	2	1
£150,001 - £160,000	0	0
£180,001 - £190,000	0	1
£190,001- £200,000	1	0
	5	3

The charity Trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2022: £nil). They were reimbursed travel expenses during the year of £90 (2022: £nil). Related party transactions involving Trustees are detailed at note 12.

The key management personnel of the parent charity, comprise the Trustees and the Senior Executive Team. The total employee benefits of the key management personnel of the Trust were £637,081 (2022: £603,000). The emoluments of the highest paid director, the Chief Executive excluding pension contributions were £217,942 (2022: £209,254).

The Chief Executive is a member of the Greater Manchester Pension Fund and no enhanced or special terms apply. Employer contributions for the Chief Executive were £48,870 (2022: £46,319).

11. Staff Numbers

The average number of employees during the year was as follows:

	2023 Number	2022 Number
Education	74	69
	74	69

The average number of full-time equivalent employees during the year was:

	2023 Number	2022 Number
Education	61	61
	61	61

12. Related party transactions

The company's immediate parent is Birtenshaw, a company incorporated in England and Wales. Company number 2978546, Charity Number 1092798. The principle activity is to provide a range of services for children and adults, with moderate to severe learning disability including Autism Spectrum Conditions and/or significant physical disability, including complex health needs. Consolidated accounts can be obtained from Companies House.

Salary costs are met by Birtenshaw and recharged directly. Other associated costs are met by Birtenshaw and recharged directly.

	2023 £	2022 £
Revenue funding		
Staff Costs	2,245,982	2,209,548
Other associated costs	7,902	36,344
	2,253,884	2,245,892

The charity enjoys a close working relationship with Tezlom (formally 247 / Professional Health). A Trustee of the Board is a Director and 30% shareholder of Tezlom. The company provides the charity with agency staff to support our activities.

	2023 £	2022 £
Revenue funding		
Tezlom	14,750	23,548
	14,750	23,548

All the above expenditure was included under staffing costs, and has been included in the financial statements under expenditure on charitable activities.

Notes forming part of the financial statements for the year ended 31 March 2023

At the 31 March 2023 there was a trade creditor of nil (2022: £3,555).

All the above expenditure has been included in the financial statements under expenditure on charitable activities.

At the 31 March 2023 there was a creditor balance with Birtenshaw of £1,354 (2022: £1,266)

13. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14. Tangible fixed assets

	Fixtures, Fittings And Equipment	Motor Vehicles	Total
Cost:	£	£	£
As at 1 April 2022	308,783	104,142	412,925
Additions	73,076	39,946	113,022
As at 31 March 2023	381,859	144,088	525,947
Depreciation:			
As at 1 April 2022	(189,557)	(38,730)	(228,287)
Charge for the year	(58,154)	(28,262)	(86,416)
As at 31 March 2023	(247,711)	(66,992)	(314,703)
Net book value			
As at 31 March 2023	134,148	77,096	211,244
As at 31 March 2022	119,226	65,412	184,638

Net Book Value of assets held on finance leases included in fixtures, fittings and equipment is nil (2022: £9,106)

15. Debtors

	2023 £	2022 £
Trade debtors	32,669	107,773
Other debtors	375	234
Prepayments and accrued income	118,338	129,374
	151,382	237,381

Notes forming part of the financial statements for the year ended 31 March 2023

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loan	-	32,238
Trade creditors	40,649	69,918
Other creditors	5,069	1,266
Accruals and deferred income	682,517	661,724
	728,235	765,146

Details of financial instruments are contained in **note 19**.

17. Deferred income

Deferred income comprises education income received in advance.

	2023 £	2022 £
Balance as at 1 April 2022	-	-
Amount released to income earned from charitable activities	-	-
Amount deferred in year	56,159	-
Balance as at 31 March 2023	56,159	-

18. Financial instruments

Financial instruments measured at amortised cost comprise the loan financing provided by Big Issue Invest.

Debt analysis

	2023 £	2022 £
Loans repayable by instalments:		
Within one year	-	32,238
In one year or more but less than two years	-	-
In two years or more and less than five years	-	-
Total loans	-	32,238

At 31 March 2023 (2022: nil) the charity has no undrawn borrowing facilities:

Notes forming part of the financial statements for the year ended 31 March 2023

19. Funds

Restricted funds

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

	Balance at 1 April 2022 £	Movements in funds			Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	Transfers £	
Sunshine Variety	13,229	-	(4,409)	-	8,820
	13,229	-	(4,409)	-	8,820

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Sunshine Variety	17,638	-	(4,409)	-	13,229
	17,638	-	(4,409)	-	13,229

Sunshine Variety provided a grant for the purchase of a vehicle. The grant was restricted to the purchase of a vehicle which is being depreciated over five years.

Unrestricted Funds

	Balance at 1 April 2022 £	Movements in funds			Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	Transfers £	
General fund	3,418,995	5,067,516	(3,527,123)	-	4,959,388
	3,418,995	5,067,516	(3,527,123)	-	4,959,388

	Balance at 1 April 2021 £	Movements in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £	
General fund	1,736,127	4,925,934	(3,243,066)	-	3,418,995
	1,736,127	4,925,934	(3,243,066)	-	3,418,995

Notes forming part of the financial statements for the year ended 31 March 2023

20. Analysis of assets and liabilities between funds

	Unrestricted 2023	Restricted 2023	Total 2023
Tangible Fixed Assets	202,424	8,820	211,244
Debtors	151,382	-	151,382
Cash	5,333,817	-	5,333,817
Current Liabilities	(728,235)	-	(728,235)
Total Net Assets	4,959,388	8,820	4,968,208

2022 Comparative	Unrestricted 2022	Restricted 2022	Total 2022
Tangible Fixed Assets	171,409	13,299	184,638
Debtors	237,381	-	237,381
Cash	3,775,351	-	3,775,351
Current Liabilities	(765,146)	-	(765,146)
Total Net Assets	3,418,995	13,299	3,432,224

21. Commitments under operating leases

At 31 March 2023 the company had annual payment commitments under non-cancellable operating leases as follows:

	2023		2022	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Expiry date:				
Within one year	460,461	80,434	460,461	70,762
Between one and two years	1,841,844	37,635	1,841,844	57,807
Between two and five years	6,142,305	-	6,602,766	-
	<u>8,444,610</u>	<u>118,069</u>	<u>8,905,071</u>	<u>127,807</u>
	=====	=====	=====	=====

22. Post-balance sheet events

None

Notes forming part of the financial statements for the year ended 31 March 2023

23. Statement of Financial Activities for year ended 31 March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from:					
Donations and grants	3	14,130	-	14,130	28,359
Charitable activities	4	4,860,638	-	4,860,638	4,630,914
Other trading activities	5	51,166	-	51,166	13,517
Total income		4,925,934	-	4,925,934	4,672,790
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities	6	3,243,066	4,409	3,247,475	2,870,384
Total expenditure		3,243,066	4,409	3,247,475	2,870,384
Net (expenditure) and net movement in funds for the year		1,682,868	(4,409)	1,678,459	1,802,406
Total Funds brought forward		1,736,127	17,638	1,753,765	(48,641)
Total funds carried forward		3,418,995	13,229	3,432,224	1,753,765

Accounts

Birtenshaw Merseyside
(A company limited by guarantee)
Report and Financial Statements
Year ended 31 March 2022
Charity number 1176826
Company number: 10500399

The Trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Structure, governance and management

Birtenshaw Merseyside is a subsidiary of the Birtenshaw group.

Birtenshaw Merseyside is a registered charity and a company limited by guarantee, governed by its Articles of Association.

Strategic development and governance decisions are made by the Board of Trustees, on advice provided by the Chief Executive, with the bulk of the work carried out by a very strong Committee structure following a Directorate model:

1. School Governing body
2. Audit, Finance and Risk

Each of these committees, is chaired by a Trustee and comprises other Trustees, the Chief Executive and the Department Head responsible for the respective Directorate. The full Board of Trustees meets on a bi-monthly basis, following the Directorate Committee meetings.

The Board of Trustees are advised and briefed by the Chief Executive, supported by the Senior Executive Team. This team meet on a weekly basis to ensure the smooth running of the organisation, linked to the Senior Management Team and the wider Management Team.

The Chief Executive communicates with the Chair on a regular basis to discuss the running of the organisation. Major issues are discussed and solutions are agreed where necessary. This enables the Board of Trustees to keep up to date with all services and activities at Birtenshaw Merseyside.

Trustee recruitment and induction

Trustee vacancies are promoted widely, normally in the media and via other organisations and professional bodies so as to encourage a broad and diverse range of applicants. Candidates are invited for a site- visit, encouraged to attend at least one Board meeting and interviewed by the Chair of the Board and the Chief Executive Officer who subsequently make an appointment recommendation to the Board.

On appointment, Trustees are allocated to the Committee structure as appropriate. All new Trustees are provided with an induction which includes relevant reading materials related to the governance of the charity. Training is offered to Trustees as required and a short training session on key issues is provided by the Charity Solicitor at each Board meeting. When circumstances allow an 'away day' event is held annually for Trustees to review and update the strategic plan.

Key management personnel

The Trustees have identified the Senior Executive Team as the key management personnel of the charity. Executive pay is agreed by the Board via an externally commissioned executive pay benchmarking exercise bi annually.

Objectives and activities

The Trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The objects of the Charity as set out in the Articles of Association are

- The advancement of the education of the public in particular but not so as to limit the generality of the foregoing by the provision and maintenance of a school or schools for children and adults with special educational needs and disability;
- To relieve the needs of children and adults who are disabled or those with special educational needs by providing residential homes, associated amenities and/or care services;
- To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The Trustees confirm that Birtenshaw Merseyside has complied with Charity Commission guidelines in relation to Public Benefit.

Birtenshaw Merseyside was established in 2018. A new state of the art special school opened in January 2018 with the first cohort of pupils joining in September 2018. The school includes a range of classroom sizes enabling individual, paired or small group learning environments. There is a sports hall, health and 25m hydrotherapy suite, a range of light and dark sensory rooms, IT and library facilities, a play safe room and a fully kitted out flat where young people can learn independent living skills. The site is on a long-term lease agreement and all the staff are employed jointly by Birtenshaw and Birtenshaw Merseyside.

Principal risks and uncertainties

The management of activities and the implementation of the Birtenshaw Merseyside strategy are subject to a number of risks. The key risks are considered to be reputational such as a serious safeguarding incident, and Regulatory and Compliance matters which could all result in reduced funding. Safeguarding risks are mitigated by ensuring there are robust policies and procedures in place which include recruitment, induction and training for staff, a culture of openness and reporting, internal and external monitoring inspections and reports. Regulatory and compliance risks are mitigated by having policy and procedures aligned with regulations, regulatory inspections, internal and external monitoring inspections and an experienced and knowledgeable staff team.

The Trustees consider exposure to credit risk to be limited as the organisation does not have any external investments. Market risk is always a risk for the organisation, especially due to the current economic situation, however plans are in place and regular budgeting is carried out to mitigate this risk. Liquidity risk is not a risk to the organisation due to its strong cash position.

Birtenshaw group has a risk register which is regularly reviewed by the Senior Executive Team and the Board of Trustees and appropriate processes put in place to monitor and mitigate them.

The process for this is: the risk is identified; control measures are applied to transfer the risk, for example, insurance or activity carried out by another service, accept or tolerate the risk, or, treat or

control the risk, or, stop the activity. Risk is re-assessed at planned regular intervals to monitor and review the effectiveness of either the risk control or the solution.

Achievements and performance

The Charity provides high quality services and continues to invest in infrastructure and the school facility. The school was successful in an application to the Department of Education to increase registered numbers from 50 to 80 pupils and is now operating at full capacity.

Plans for future periods

Birtenshaw Merseyside's main focus continues to be the delivery of high quality services to larger numbers of pupils with special needs.

Financial review

Birtenshaw Merseyside opened January 2018 but was not fully operational until the first cohort of pupils joined at the start of the 2018/2019 academic year. Since that time pupil numbers have increased and the school is operating at full capacity.

Total incoming resources for the year were £4.9m (£4.7m 2020-21), with total resources expended £3.2m (£2.9m 2020-21), meaning that net incoming resources for the 2021-22 year were circa £1.8m. The Charity is considered a going concern as pupil numbers are near full capacity and liabilities can be met as they fall due.

No material income was received from fundraising events.

Covid 19

Birtenshaw continued to run essential education services throughout the pandemic. Income from these services is unaffected with local authorities committed to paying the fees. Some other discretionary services have resulted in a loss of income. We have taken measures to reduce costs where possible to offset any loss of income. To date there has been no adverse impact against budget of the net surplus of the organisation. Birtenshaw has not needed to access any of the Government schemes.

Reserves policy

The Trustees are responsible for ensuring that the Charity maintains an appropriate level of reserves to meet assessed risk and to manage cash flow. Birtenshaw Merseyside is required to quantify the free reserves position when applying the SORPs definition of free reserves. At 31 March 2022 the free reserves figure is £3.2m (2021: £1.5m).

For the purposes of short and medium term financial management, the Trustees are more concerned with management of cash, and have a target of holding cash levels sufficient to fund three months of ongoing unrestricted expenditure to cover the unlikely eventuality of a material decline in incoming resources. The School is near capacity and demand for services is high with no indication of a downturn.

Operational forecasts are made with a high degree of certainty as they are based on age profiles of the service users and placement growth. In addition the source of income i.e. contract income from local authorities is stable and reliable. The Trustees consider the charity should be holding six months of expenditure in cash reserves, based on 22/23 forecasts this would equate to £1.8m. The 31 March 2022 cash position is £3.7m therefore exceeding the target.

Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Small Company regime

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

This report was approved by the Board of Trustees on 06 December 2022 and signed on its behalf by:



Deborah Sidebottom
Chair of the Board of Trustees

Reference and administrative details

Charity number: 1176826
Company number: 10500399
Registered Office: Darwen Road, Bromley Cross, Bolton. BL7 9AB

Our advisers

External Auditors Beever and Struthers Statutory Auditors St George's House, 215-219
Chester Road, Manchester M15
4JE.

Bankers NatWest Bank 24 Deansgate, Bolton, BL1 1BN

Solicitors Shakespeare Martineau Waterfront House, Waterfront
Plaza, Nottingham NG2 3DQ

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law.

The Trustees and officers serving during the year and since the year end were as follows:

Key management personnel Birtenshaw: Trustees' and Directors

Trustees

Mr D Sidebottom	Chair of the Board of Trustees
Mr G Tomison	(Term of office ended 17 September 2021)
Mr A Morse	
Ms K Brown	(Resigned 07 September 2021)
Mr J Pilkington	
Mr M Walmsley	Chair of Audit, Finance and Risk Committee
Mr R Armitage	
Mr T Long	
Ms H Kirk	(Term of office ended 12 June 2021)
Ms D Thompson	Chair of Education Committee
Mr R Ayra	(Appointed 29 March 2022)
Mr C Ashton	(Appointed 06 December 2022)

Key management personnel:

Chief Executive: David Reid
Deputy Chief Executive:
Operations
Deputy Chief Executive:
Resources

Independent Auditor's Report to the members of Birtenshaw Merseyside

Opinion

We have audited the financial statements of Birtenshaw Merseyside "the charitable company" for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources profit for the 31 March 2022;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and] the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the Charities Act 2011, and taxation legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Sue Hutchinson (Senior Statutory Auditor)



For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

St George's House

215/219 Chester Road

Manchester M15 4JE

Date: 15 December 2022

Birtenshaw Merseyside

Statement of Financial Activities for year ended 31 March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from:					
Donations and grants	3	14,130	-	14,130	28,359
Charitable activities	4	4,860,638	-	4,860,638	4,630,914
Other trading activities	5	51,166	-	51,166	13,517
Total income		4,925,934	-	4,925,934	4,672,790
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities	6	3,243,066	4,409	3,247,475	2,870,384
Total expenditure		3,243,066	4,409	3,247,475	2,870,384
Net (expenditure) and net movement in funds for the year		1,682,868	(4,409)	1,678,459	1,802,406
Total Funds brought forward		1,736,127	17,638	1,753,765	(48,641)
Total funds carried forward		3,418,995	13,229	3,432,224	1,753,765

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

All income and expenditure derive from continuing activities.

See Note 25 for Comparative Statement of Financial Activities for year ended 31 March 2021

Birtenshaw Merseyside**Balance Sheet as at 31 March 2022**

	Note	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	14		184,638		240,896
Current assets					
Debtors	15	237,381		138,029	
Cash at bank and in hand		3,775,351		2,270,070	
		<u>4,012,732</u>		<u>2,408,099</u>	
Creditors: amounts falling due within one year	16	<u>(765,146)</u>		<u>(866,883)</u>	
Net current assets			3,247,586		1,541,216
Total assets less current liabilities			3,432,224		1,782,112
Creditors: amounts falling due after more than one year	18		-		(28,347)
Net Assets			<u>3,432,224</u>		<u>1,753,765</u>
Income funds					
Restricted funds	21		13,229		17,638
Unrestricted funds			3,418,995		1,736,127
Total funds			<u>3,432,224</u>		<u>1,753,765</u>

These financial statements were approved and authorised for issue by the Trustees on 06 December 2022 and signed on their behalf by:

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 14 to 25 form part of these accounts

Ms D Sidebottom
Chair of the Board of Trustees



Trustee

Mr M Walmsley



Trustee

Approved by the Trustees on 06 December 2022

Birtenshaw Merseyside**Statement of Cash Flows for year ended 31 March 2022**

	2022	2021
	£	£
Net cash generated from		
Operating Activities	1,597,231	1,952,241
Cash flow from investing activities		
Purchase of tangible fixed assets	(28,406)	(126,414)
Interest received	316	26
	(28,090)	(126,388)
Cash flow from financing activities		
Bank loan interest	(8,852)	(6,388)
Repayment of bank loans	(55,008)	(57,294)
Interest element on hire purchase	(-)	(6,016)
	(63,860)	(69,698)
Net change in cash and cash equivalents	1,505,281	1,761,155
Cash and cash equivalents at beginning of year	2,270,070	508,915
Cash and cash equivalents at end of year	3,775,351	2,270,070
 Reconciliation of Operating Surplus to Net Cash Inflow		
from Operating Activities	2022	2021
	£	£
Cash generated from operating activities		
Surplus for the financial year	1,678,459	1,802,405
Adjustment for non cash items		
Deprecation of tangible fixed assets	84,664	74,890
Decrease/(increase) in trade and other debtors	(99,349)	156,503
Increase/(decrease) in trade and other creditors	(75,079)	(88,905)
Adjustment for investing or financial activities		
Interest paid	8,852	12,404
Interest received	(316)	(26)
Net cash generated from operating activities	1,597,231	1,957,241

Analysis of changes in net debt

	As at 01 April 2021 £	Cash Flows £	Other changes 2022 £	At 31 March 2022 £
Group				
Cash	2,220,070	1,505,281	-	3,775,371
Bank Loans	(64,836)	-	(32,598)	(32,237)
	2,155,234	1,505,281	(32,598)	3,743,134

Notes on the accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birtenshaw Merseyside 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 note(s).

b) Preparation of the accounts on a going concern basis

The Trustees consider the financial position of the Charity on a regular basis as part of Board meeting discussions. In assessing the appropriateness of adopting the going concern basis for the preparation of these financial statements they considered the Charity's three year plan to March 2025, the progress against the plan to date, the expected and secured amount of pupil numbers and the current bank facilities. The Trustees have concluded that the forecasts that have been prepared are appropriate and that the level of secured and expected pupil numbers is of a level that sufficient income will be generated to fund its activities and consequently the Charity can meet its financial obligations as they fall due and hence have concluded that it is appropriate to consider the organisation a going concern.

c) Income

Incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Income receivable is reviewed on an entitlement, certainty and measurement basis. Income not meeting this criterion is treated as deferred income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Income for service charges receivable for children's education are recorded in the Statement of Financial Activities in the year in which they are received; amounts received that relate to academic terms subsequent to the accounting period are deferred.

Investment income is included when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.

1. Accounting Policies (continued)

d) Resources expended

All expenditure is accounted for on an on-going basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources. The irrecoverable element of VAT is included with the item of expenses to which it relates.

- Costs of generated funds include costs associated with generating incoming resources from all sources other than from undertaking charitable activities.
- Support and central costs represent those costs incurred by the charity to meet its charitable objectives, which cannot be directly attributed to a particular charitable activity.
- Resources expended on charitable activities include all the resources applied by the charity in its undertaking to meet its charitable objectives for the school and the homes.
- Governance costs include those costs incurred in the governance of the charity's assets and are associated with constitutional and statutory requirements.

e) Reserves

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity; unrestricted funds comprise the accumulated surpluses and deficits of unrestricted income and expenditure. Where the Trustees set aside unrestricted funds for specific purposes these are termed designated funds. Restricted funds are those where the donor has imposed restrictions on the use of the funds which are binding. Income arising on restricted funds and expenditure in respect of these funds are reflected through the Statement of Financial Activities.

f) Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised at cost.

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	-	Not depreciated.
Freehold buildings	-	2% per annum on a straight line basis
Leasehold improvements	-	Over the length of the lease
Assets under construction	-	Not depreciated until the asset is brought into use
Fixtures, fittings and equipment	-	10% – 33% per annum on a straight line basis
Motor vehicles	-	20% - 33% per annum on a straight line basis

g) Leasing and hire purchase commitments

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the Statement of Financial Activities over the period of the lease so as to produce a constant periodic rate of charge.

1. Accounting Policies (continued)

h) Liquid resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short term deposits.

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, human resources, payroll and governance costs which support Birtenshaw's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

j) Operating leases

The charity classifies the lease of, printers, IT and sensory equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight line basis over the term of the lease.

k) Debtors

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

l) Cash at bank and in hand

Cash at bank and cash 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.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The organisation 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.

o) Judgements

The preparation of the financial statements require management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the Trustees, there are no key judgements, estimates or assumptions to be disclosed.

2. Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the charity may indemnify a Trustee or former Trustee against any liability incurred by him in that capacity to the extent permitted by sections 232 to 234 of the Companies Act 2006.

3. Income from donations and grants

	Unrestricted Funds £	Restricted funds £	2022 Total funds £	2021 Total Funds £
Donations	127	-	127	-
Grants receivable for core activities	14,003	-	14,003	28,359
	14,130	-	14,130	28,359

4. Income from charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Education	4,860,638	4,630,914
Total income from charitable activities	4,860,638	4,630,914

5. Income earned from other trading activities

	2022 £	2021 £
Minor trading operations	51,166	13,517

6. Analysis of expenditure on charitable activities

	Staff Costs £	Depreciation £	Other Costs £	Total 2022 £	Total 2021 £
Cost of generating funds					
Costs of generating donations and legacies	-	-	-	-	-
Charitable activities					
Education	2,255,959	84,663	906,853	3,247,475	2,334,860
Activities undertaken directly (note 7)					
Total	2,255,959	84,663	906,853	3,247,475	2,334,860

7. Summary analysis of expenditure for charitable activities

This table shows the cost of the main charitable activity

	Education £	Total 2022 £	Total 2021 £
Costs			
Children's Services	31,748	31,748	34,219
Catering costs	69,997	69,997	56,749
Staff-related costs	7,547	7,547	-
Business running costs	676,961	676,961	652,020
Motor and travel	104,751	104,751	89,888
Loan interest	8,947	8,947	13,112
Training expenses	6,902	6,902	7,308
	906,853	906,853	853,296

8. Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned in line with income between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the analysis of support and governance costs.

	Education £	Total 2022 £	Total 2021 £
Legal and other professional fees	4,305	4,305	3,653
Audit fees	6,922	6,922	4,212
Bank charges	95	95	107
Total	11,322	11,322	7,972

Notes forming part of the financial statements for the year ended 31 March 2022

9. Net income/(expenditure) for the year

	2022 £	2021 £
This is stated after charging:		
Operating leases – Equipment	1,794	1,672
Motor vehicles	70,763	61,604
Properties	404,076	393,036
Depreciation	84,664	74,860
Audit fees	5,700	5,335

10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2022 £	2021 £
Salaries and wages	2,053,187	1,761,016
Social security costs	103,547	91,985
Pension costs	99,225	89,226
	2,255,959	1,942,227

Salary costs are met by Birtenshaw and recharged directly. The wages costs above include costs for contract workers of £225k. (2021: £168k)

The number of employees whose annual remuneration was £60,000 or more were:

	2022 Number	2021 Number
£100,001 - £110,000	0	2
£120,001 - £130,000	1	0
£130,001 - £140,000	1	0
£180,001 - £190,000	1	1
	3	3

The charity Trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). Related party transactions involving Trustees are detailed at note 12.

The key management personnel of the parent charity, comprise the Trustees, the Chief Executive Officer, Deputy Chief Executive: Operations and the Deputy Chief Executive: Resources. The total employee benefits of the key management personnel of the group were £603,000 (2021: £506,000).

11. Staff Numbers

The average number of employees during the year was as follows:

	2022	2021
	Number	Number
Education	69	63
	69	63

The average number of full-time equivalent employees during the year was:

	2022	2021
	Number	Number
Education	61	56
	61	56

12. Related party transactions

The company's immediate parent is Birtenshaw, a company incorporated in England and Wales. Company number 2978546, Charity Number 1092798. The principle activity is to provide a range of services for children and adults, with moderate to severe learning disability including Autism Spectrum Conditions and/or significant physical disability, including complex health needs. Consolidated accounts can be obtained from Companies House.

Salary costs are met by Birtenshaw and recharged directly. Other associated costs are met by Birtenshaw and recharged directly.

	2022	2021
	£	£
Revenue funding		
Staff Costs	2,209,548	1,779,690
Legal and professional	-	-
Other associated costs	36,344	36,209
	2,245,892	1,812,899

The charity enjoys a close working relationship with Tezlom (formally 247 / Professional Health). A Trustee of the Board is a Director and 30% shareholder of Tezlom. The company provides the charity with agency staff to support our activities.

	2022	2021
	£	£
Revenue funding		
Tezlom	23,548	13,251
	23,548	13,251

All the above expenditure was included under staffing costs, and has been included in the financial statements under expenditure on charitable activities.

At the 31 March 2022 there was a trade creditor of £3,555 (2021: £7,541).

Notes forming part of the financial statements for the year ended 31 March 2022

All the above expenditure has been included in the financial statements under expenditure on charitable activities.

At the 31 March 2022 there was a creditor balance with Birtenshaw of £1,266 (2021: nil)

13. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14. Tangible fixed assets

	Fixtures, Fittings And Equipment	Motor Vehicles	Total
Cost:	£	£	£
As at 1 April 2021	280,377	104,142	384,519
Additions	28,406	-	28,406
Disposals	-	-	-
As at 31 March 2022	308,783	104,142	412,925
Depreciation:			
As at 1 April 2021	(123,988)	(19,635)	(143,623)
Charge for the year	(65,569)	(19,095)	(84,664)
Depreciation on Disposals	-	-	-
As at 31 March 2022	(189,557)	(38,730)	(228,287)
Net book value			
As at 31 March 2022	119,226	65,412	184,638
As at 31 March 2021	156,389	84,507	240,896

Net Book Value of assets held on finance leases included in fixtures, fittings and equipment is £30,962

15. Debtors

	2022 £	2021 £
Trade debtors	107,773	13,557
Other debtors	234	-
Prepayments and accrued income	129,374	124,472
	237,381	138,029

Notes forming part of the financial statements for the year ended 31 March 2022

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loan	32,238	36,488
Other Loans	-	-
Trade creditors	69,918	77,591
Other creditors	1,266	22,411
Accruals and deferred income	661,724	730,393
Taxation and social security costs	-	-
	765,146	866,883

Details of financial instruments are contained in **note 19**.

17. Deferred income

Deferred income comprises college and education income received in advance.

	2022 £	2021 £
Balance as at 1 April 2021	-	-
Amount released to income earned from charitable activities	-	-
Amount deferred in year	-	-
Balance as at 31 March 2022	-	-

18. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Secured bank loan (falling due in less than 5 years)	-	28,347
	-	28,347

19. Financial instruments

Financial instruments measured at amortised cost comprise the loan financing provided by Big Issue Invest.

Debt analysis

	2022 £	2021 £
Loans repayable by instalments:		
Within one year	32,238	36,488
In one year or more but less than two years	-	28,347
In two years or more and less than five years	-	-
Total loans	32,238	64,835

Notes forming part of the financial statements for the year ended 31 March 2022

Big Issue Invest Loan is unsecured.

The loan is repayable monthly at a fixed rate of interest of 8% per annum over a period of 5 years.

The loan is due to be repaid in 2023.

At 31 March 2022 (2021: nil) the charity has no undrawn borrowing facilities:

	2022	2021
20. Commitments under hire purchase agreements		
Not later than one year	-	22,411
Later than one year and not later than five years	-	-
	-	22,411

The obligations under hire purchase agreements are secured on the specific assets to which they relate.

21. Funds

Restricted funds

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

	Balance at 1 April 2021 £	Movements in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £	
Sunshine Variety	17,638	-	(4,409)	-	13,229
	17,638	-	(4,409)	-	13,229

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Sunshine Variety	-	22,047	(4,409)	-	17,638
	-	22,047	(4,409)	-	17,638

Sunshine Variety provided a grant for the purchase of a vehicle. The grant was restricted to the purchase of a vehicle which is being depreciated over five years.

Unrestricted Funds

	Balance at 1 April 2021 £	Movements in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £	
General fund	1,736,127	4,925,934	(3,243,066)	-	3,418,995
	1,736,127	4,925,934	(3,243,066)	-	3,418,995

	Balance at 1 April 2020 £	Movements in funds			Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £	
General fund	(48,641)	4,650,743	(2,865,975)	-	1,736,127
	(48,641)	4,650,743	(2,865,975)	-	1,736,127

22. Analysis of assets and liabilities between funds

	Unrestricted 2022	Restricted 2022	Total 2022
Tangible Fixed Assets	171,409	13,299	184,638
Debtors	237,381	-	237,381
Cash	3,775,351	-	3,775,351
Current Liabilities	(765,146)	-	(765,146)
Long term Liabilities	-	-	-
Total Net Assets	3,418,995	13,299	3,432,224

2021 Comparative	Unrestricted 2021	Restricted 2021	Total 2021
Tangible Fixed Assets	223,258	17,638	240,896
Debtors	19,914	-	19,914
Cash	2,270,070	-	2,270,070
Current Liabilities	(748,768)	-	(748,768)
Long term Liabilities	(28,347)	-	(28,347)
Total Net Assets	1,736,127	17,638	1,753,765

23. Commitments under operating leases

At 31 March 2022 the company had annual payment commitments under non-cancellable operating leases as follows:

	2022		2021	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Expiry date:				
Within one year	460,461	70,762	460,461	61,604
Between one and two years	1,841,844	57,807	1,841,844	117,559
Between two and five years	6,602,766	-	7,063,227	-
	<u>8,905,071</u>	<u>127,807</u>	<u>9,365,532</u>	<u>179,163</u>
	=====	=====	=====	=====

Notes forming part of the financial statements for the year ended 31 March 2022

24. Post-balance sheet events

None

25. Statement of Financial Activities for year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Donations and grants	3	6,312	22,047	28,359	6,627
Charitable activities	4	4,630,914	-	4,630,914	2,736,426
Other trading activities	5	13,517	-	13,517	61,613
Total income		4,650,743	22,047	4,672,790	2,804,666
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities	6	2,865,975	4,409	2,870,384	2,334,860
Total expenditure		2,865,975	4,409	2,870,384	2,334,860
Net (expenditure) and net movement in funds for the year		1,784,768	17,638	1,802,406	469,806
Total Funds brought forward		(48,641)	-	(48,641)	(518,447)
Total funds carried forward		1,736,127	17,638	1,753,765	(48,641)

Accounts

Birtenshaw Merseyside
(A company limited by guarantee)
Report and Financial Statements
Year ended 31 March 2021
Charity number 1176826
Company number: 10500399

The Trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Structure, governance and management

Birtenshaw Merseyside is a subsidiary of the Birtenshaw group.

Birtenshaw Merseyside is a registered charity and a company limited by guarantee, governed by its Articles of Association.

Strategic development and governance decisions are made by the Board of Trustees, on advice provided by the Chief Executive, with the bulk of the work carried out by a very strong Committee structure following a Directorate model:

1. School Governing body
2. Audit, Finance and Risk

Each of these committees, is chaired by a Trustee and comprises other Trustees, the Chief Executive and the Department Head responsible for the respective Directorate. The full Board of Trustees meets on a bi-monthly basis, following the Directorate Committee meetings.

The Board of Trustees are advised and briefed by the Chief Executive, supported by the Senior Executive Team. This team meet on a weekly basis to ensure the smooth running of the organisation, linked to the Senior Management Team and the wider Management Team.

The Chief Executive communicates with the Chair on a regular basis to discuss the running of the organisation. Major issues are discussed and solutions are agreed where necessary. This enables the Board of Trustees to keep up to date with all services and activities at Birtenshaw Merseyside.

Trustee recruitment and induction

Trustee vacancies are promoted widely, normally in the media and via other organisations and professional bodies so as to encourage a broad and diverse range of applicants. Candidates are invited for a site-visit, encouraged to attend at least one Board meeting and interviewed by the Chair of the Board and the Chief Executive Officer who subsequently make an appointment recommendation to the Board.

On appointment, Trustees are allocated to the Committee structure as appropriate. All new Trustees are provided with an induction which includes relevant reading materials related to the governance of the charity. Training is offered to Trustees as required and a short training session on key issues is provided by the Charity Solicitor at each Board meeting. When circumstances allow an 'away day' event is held annually for Trustees to review and update the strategic plan.

Key management personnel

The Trustees have identified the Senior Executive Team as the key management personnel of the charity. Executive pay is agreed by the Board via an externally commissioned executive pay benchmarking exercise bi annually.

Objectives and activities

The Trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The objects of the Charity as set out in the Articles of Association are

- The advancement of the education of the public in particular but not so as to limit the generality of the foregoing by the provision and maintenance of a school or schools for children and adults with special educational needs and disability;
- To relieve the needs of children and adults who are disabled or those with special educational needs by providing residential homes, associated amenities and/or care services;
- To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The Trustees confirm that Birtenshaw Merseyside has complied with Charity Commission guidelines in relation to Public Benefit.

Birtenshaw Merseyside was established in 2018. A new state of the art special school opened in January 2018 with the first cohort of pupils joining in September 2018. The school includes a range of classroom sizes enabling individual, paired or small group learning environments. There is a sports hall, health and 25m hydrotherapy suite, a range of light and dark sensory rooms, IT and library facilities, a play safe room and a fully kitted out flat where young people can learn independent living skills. The site is on a long-term lease agreement and all the staff are employed jointly by Birtenshaw and Birtenshaw Merseyside.

Principal risks and uncertainties

The management of activities and the implementation of the Birtenshaw Merseyside strategy are subject to a number of risks. The key risks are considered to be reputational such as a serious safeguarding incident, and Regulatory and Compliance matters which could all result in reduced funding. Safeguarding risks are mitigated by ensuring there are robust policies and procedures in place which include recruitment, induction and training for staff, a culture of openness and reporting, internal and external monitoring inspections and reports. Regulatory and compliance risks are mitigated by having policy and procedures aligned with regulations, regulatory inspections, internal and external monitoring inspections and an experienced and knowledgeable staff team.

Birtenshaw group has a risk register which is regularly reviewed by the Senior Executive Team and the Board of Trustees and appropriate processes put in place to monitor and mitigate them.

The process for this is: the risk is identified; control measures are applied to transfer the risk, for example, insurance or activity carried out by another service, accept or tolerate the risk, or, treat or control the risk, or, stop the activity. Risk is re-assessed at planned regular intervals to monitor and review the effectiveness of either the risk control or the solution.

Achievements and performance

The Charity provides high quality services and continues to invest in infrastructure and the school facility. The school was successful in an application to the Department of Education to increase registered numbers from 50 to 80 pupils and is now operating at full capacity.

Plans for future periods

Birtenshaw Merseyside's main focus continues to be the delivery of high quality services to larger numbers of pupils with special needs.

Financial review

Birtenshaw Merseyside opened January 2018 but was not fully operational until the first cohort of pupils joined at the start of the 2018/2019 academic year. Since that time pupil numbers have increased and the school operating at full capacity.

Total incoming resources for the year were £4.7m (£2.8m 2019-20), with total resources expended £2.9m (£2.3m 2019-20), meaning that net incoming resources for the 2020-21 year were circa £1.8m. The Charity is considered a going concern as pupil numbers are at full capacity and liabilities can be met as they fall due.

Covid 19

Birtenshaw has continued to run essential education services throughout the pandemic. Income from these services is unaffected with local authorities committed to paying the fees. Some other discretionary services have resulted in a loss of income. We have taken measures to reduce costs where possible to offset any loss of income. To date there has been no adverse impact against budget of the net surplus of the organisation. Birtenshaw has not needed to access any of the Government schemes.

Reserves policy

The Trustees are responsible for ensuring that the Charity maintains an appropriate level of reserves to meet assessed risk and to manage cash flow. Birtenshaw Merseyside is required to quantify the free reserves position when applying the SORPs definition of free reserves. At 31 March 2021 the free reserves figure is £1.5m (2020: -£238k). This has to be considered in light of the fact the charity is new and only became operational in September 2018 with expenditure incurred before any income was generated. The position has increased considerably in the least 12 months.

For the purposes of short and medium term financial management, the Trustees are more concerned with management of cash, and have a target of holding cash levels sufficient to fund three months of ongoing unrestricted expenditure to cover the unlikely eventuality of a material decline in incoming resources. The School is at capacity and demand for services is high with no indication of a downturn. Operational forecasts are made with a high degree of certainty as they are based on age profiles of the service users and placement growth. In addition the source of income i.e. contract income from local authorities is stable and reliable. The Trustees consider the charity should be holding three months of expenditure in cash reserves, based on 21/22 forecasts this would equate to £915k. The 31 March 2021 cash position is £2.3m therefore exceeding the target.

Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Small Company regime

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

This report was approved by the Board of Trustees on 23 November 2021 and signed on its behalf by:



Ryan Armitage

Chair of the Board of Trustees

Reference and administrative details

Charity number: 1176826
Company number: 10500399
Registered Office: Darwen Road, Bromley Cross, Bolton. BL7 9AB

Our advisers

External Auditors Beever and Struthers Statutory Auditors St George's House, 215-219
Chester Road, Manchester M15
4JE.

Bankers NatWest Bank 24 Deansgate, Bolton, BL1 1BN

Solicitors Browne Jacobson 18-22 Bridge Street, Manchester.
M3 3BZ

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law.

The Trustees and officers serving during the year and since the year end were as follows:

Key management personnel Birtenshaw: Trustees' and Directors

Trustees

Mr R Armitage	Chair of the Board of Trustees
Mr G Tomison	(Term of office ended 17 September 2021)
Mr A Morse	Chair of Care Services Committee
Ms K Brown	(Resigned 07 September 2021)
Mr J Pilkington	
Mr M Walmsley	Chair of Audit, Finance and Risk Committee
Ms D Sidebottom	Chair of Education Committee
Mr T Long	
Ms H Kirk	(Term of office ended 12 June 2021)
Ms D Thompson	

Key management personnel:

Chief Executive: David Reid
Deputy Chief Executive:
Operations
Deputy Chief Executive:
Resources

Independent Auditor's Report to the members of Birtenshaw Merseyside

Opinion

We have audited the financial statements of Birtenshaw Merseyside "the charitable company" for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and] the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the Charities Act 2011, and taxation legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Sue Hutchinson (Senior Statutory Auditor)



For and on behalf of

BEEVER AND STRUTHERS

Statutory Auditor

St George's House

215/219 Chester Road

Manchester M15 4JE

Date: 29 November 2021

Birtenshaw Merseyside

Statement of Financial Activities for year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Donations and grants	3	6,312	22,047	28,359	6,627
Charitable activities	4	4,630,914	-	4,630,914	2,736,426
Other trading activities	5	13,517	-	13,517	61,613
Total income		4,650,743	22,047	4,672,790	2,804,666
Expenditure on:					
<i>Expenditure on charitable activities:</i>					
Charitable activities	6	2,865,975	4,409	2,870,384	2,334,860
Total expenditure		2,865,975	4,409	2,870,384	2,334,860
Net (expenditure) and net movement in funds for the year		1,784,768	17,638	1,802,406	469,806
Total Funds brought forward		(48,641)	-	(48,641)	(518,447)
Total funds carried forward		1,736,127	14,688	1,753,765	(48,641)

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

All income and expenditure derive from continuing activities.

See Note 25 for Comparative Statement of Financial Activities for year ended 31 March 2020

Birtenshaw Merseyside

Balance Sheet as at 31 March 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	14		240,896		189,342
Current assets					
Debtors	15	138,029		294,532	
Cash at bank and in hand		2,270,070		508,915	
		<u>2,408,099</u>		<u>803,447</u>	
Creditors: amounts falling due within one year	16	<u>(866,883)</u>		<u>(960,572)</u>	
Net current assets			1,541,216		(157,125)
Total assets less current liabilities			<u>1,782,112</u>		<u>(32,216)</u>
Creditors: amounts falling due after more than one year	18		<u>(28,347)</u>		<u>(80,857)</u>
Net liabilities			<u>1,753,765</u>		<u>(48,641)</u>
Income funds					
Restricted funds	21		17,638		-
Unrestricted funds			1,736,127		(48,641)
Total funds			<u>1,753,765</u>		<u>(48,641)</u>

These financial statements were approved and authorised for issue by the Trustees on 23 November 2021 and signed on their behalf by:

The Trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 14 to 25 form part of these accounts

Mr R Armitage
Chair of the Board of Trustees

Ms D Sidebottom



Trustee



Trustee

Approved by the Trustees on 23 November 2021

Birtenshaw Merseyside**Statement of Cash Flows for year ended 31 March 2021**

	2021	2020
	£	£
Net cash generated from		
Operating Activities	1,952,241	593,504
Cash flow from investing activities		
Purchase of tangible fixed assets	(126,414)	(62,989)
Interest received	26	-
	(126,388)	(62,989)
Cash flow from financing activities		
Bank loan interest	(6,388)	(8,706)
Repayment of bank loans	(57,294)	(54,975)
Interest element on hire purchase	(6,016)	(6,016)
	(69,698)	(69,697)
Net change in cash and cash equivalents	1,761,155	460,818
Cash and cash equivalents at beginning of year	508,915	48,097
Cash and cash equivalents at end of year	2,270,070	508,915
Reconciliation of Operating Surplus to Net Cash Inflow		
from Operating Activities	2021	2020
	£	£
Cash generated from operating activities		
Surplus for the financial year	1,802,405	469,806
Adjustment for non cash items		
Deprecation of tangible fixed assets	74,890	48,209
Decrease/(increase) in trade and other debtors	156,503	(261,090)
Increase/(decrease) in trade and other creditors	(88,905)	321,857
Adjustment for investing or financial activities		
Interest paid	12,404	14,722
Interest received	(26)	-
Net cash generated from operating activities	1,957,241	593,504

Notes on the accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Birtenshaw Merseyside 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 note(s).

b) Preparation of the accounts on a going concern basis

The Trustees consider the financial position of the Charity on a regular basis as part of Board meeting discussions. In assessing the appropriateness of adopting the going concern basis for the preparation of these financial statements they considered the Charity's three year plan to March 2024, the progress against the plan to date, the expected and secured amount of pupil numbers and the current bank facilities. The Trustees have concluded that the forecasts that have been prepared are appropriate and that the level of secured and expected pupil numbers is of a level that sufficient income will be generated to fund its activities and consequently the Charity can meet its financial obligations as they fall due and hence have concluded that it is appropriate to consider the organisation a going concern.

c) Income

Incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Income receivable is reviewed on an entitlement, certainty and measurement basis. Income not meeting this criterion is treated as deferred income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Income for service charges receivable for children's education are recorded in the Statement of Financial Activities in the year in which they are received; amounts received that relate to academic terms subsequent to the accounting period are deferred.

Investment income is included when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.

1. Accounting Policies (continued)

d) Resources expended

All expenditure is accounted for on an on-going basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources. The irrecoverable element of VAT is included with the item of expenses to which it relates.

- Costs of generated funds include costs associated with generating incoming resources from all sources other than from undertaking charitable activities.
- Support and central costs represent those costs incurred by the charity to meet its charitable objectives, which cannot be directly attributed to a particular charitable activity.
- Resources expended on charitable activities include all the resources applied by the charity in its undertaking to meet its charitable objectives for the school and the homes.
- Governance costs include those costs incurred in the governance of the charity's assets and are associated with constitutional and statutory requirements.

e) Reserves

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity; unrestricted funds comprise the accumulated surpluses and deficits of unrestricted income and expenditure. Where the Trustees set aside unrestricted funds for specific purposes these are termed designated funds. Restricted funds are those where the donor has imposed restrictions on the use of the funds which are binding. Income arising on restricted funds and expenditure in respect of these funds are reflected through the Statement of Financial Activities.

f) Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised at cost.

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	-	Not depreciated.
Freehold buildings	-	2% per annum on a straight line basis
Leasehold improvements	-	Over the length of the lease
Assets under construction	-	Not depreciated until the asset is brought into use
Fixtures, fittings and equipment	-	10% – 33% per annum on a straight line basis
Motor vehicles	-	20% - 33% per annum on a straight line basis

g) Leasing and hire purchase commitments

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the Statement of Financial Activities over the period of the lease so as to produce a constant periodic rate of charge.

1. Accounting Policies (continued)

h) Liquid resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short term deposits.

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, human resources, payroll and governance costs which support Birtenshaw's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 8.

j) Operating leases

The charity classifies the lease of, printers, IT and sensory equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight line basis over the term of the lease.

k) Debtors

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

l) Cash at bank and in hand

Cash at bank and cash 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.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The organisation 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. Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the charity may indemnify a Trustee or former Trustee against any liability incurred by him in that capacity to the extent permitted by sections 232 to 234 of the Companies Act 2006.

Notes forming part of the financial statements for the year ended 31 March 2021

3. Income from donations and grants

	Unrestricted Funds £	Restricted funds £	2021 Total funds £	2020 Total Funds £
Donations	-	-	-	-
Grants receivable for core activities	6,311	22,047	28,359	6,627
	6,311	22,047	28,359	6,627

4. Income from charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Education	4,630,914	2,736,426
Total income from charitable activities	4,630,914	2,736,426

5. Income earned from other trading activities

	2021 £	2020 £
Minor trading operations	13,517	61,613

6. Analysis of expenditure on charitable activities

	Staff Costs £	Depreciation £	Other Costs £	Total 2021 £	Total 2020 £
Cost of generating funds					
Costs of generating donations and legacies	-	-	-	-	-
Charitable activities					
Education	1,942,228	74,860	853,296	2,870,384	2,334,860
Activities undertaken directly (note 7)					
Total	1,942,228	74,860	853,296	2,870,384	2,334,860

7. Summary analysis of expenditure for charitable activities

This table shows the cost of the main charitable activity

	Education	Total 2021	Total 2020
	£	£	£
Costs			
Children's Services	34,219	34,219	36,780
Catering costs	56,749	56,749	44,976
Staff-related costs	-	-	14,435
Business running costs	652,020	652,020	636,706
Motor and travel	89,888	89,888	69,497
Loan interest	13,112	13,112	14,722
Training expenses	7,308	7,308	10,128
	853,296	853,296	827,244

8. Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned in line with income between the key charitable activities undertaken (see note 7) in the year. Refer to the table below for the analysis of support and governance costs.

	Education	Total 2021	Total 2020
	£	£	£
Legal and other professional fees	3,653	3,653	576
Audit fees	4,212	4,212	6,884
Bank charges	107	107	107
Total	7,972	7,972	7,561

9. Net income/(expenditure) for the year

	2021 £	2020 £
This is stated after charging:		
Operating leases – Equipment	1,672	1,046
Motor vehicles	61,604	49,009
Properties	393,036	393,036
Depreciation	74,860	48,209
Audit fees	5,335	5,640

Notes forming part of the financial statements for the year ended 31 March 2021

10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2021 £	2020 £
Salaries and wages	1,761,016	1,314,937
Social security costs	91,985	73,295
Pension costs	89,226	71,175
	1,942,227	1,459,407

Salary costs are met by Birtenshaw and recharged directly. The wages costs above include costs for contract workers of £168k. (2020: £189k)

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£100,001 - £110,000	2	2
£150,001 - £160,000	1	1
	3	3

The charity Trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). Related party transactions involving Trustees are detailed at note 12.

The key management personnel of the parent charity, comprise the Trustees, the Chief Executive Officer, Deputy Chief Executive: Operations and the Deputy Chief Executive: Resources. The total employee benefits of the key management personnel of the group were £506,000 (2020: £463,000).

11. Staff Numbers

The average number of employees during the year was as follows:

	2021 Number	2020 Number
Education	63	50
	63	50

The average number of full-time equivalent employees during the year was:

	2021 Number	2020 Number
Education	56	45
	56	45

12. Related party transactions

The charity enjoys a close working relationship with its parent Birtenshaw. Salary costs are met by Birtenshaw and recharged directly. Other associated costs are met by Birtenshaw and recharged directly.

	2021	2020
	£	£
Revenue funding		
Staff Costs	1,779,690	1,285,893
Legal and professional	-	-
Other associated costs	36,209	51,701
	1,812,899	1,337,594

The charity enjoys a close working relationship with Tezlom (formally 247 / Professional Health). The Chair of the Board of Trustees is a Director and 30% shareholder of Tezlom. The company provides the charity with agency staff to support our activities.

	2021	2020
	£	£
Revenue funding		
Tezlom	13,251	-
	13,251	-

All the above expenditure was included under staffing costs, and has been included in the financial statements under expenditure on charitable activities.

At the 31 March 2021 there was a trade creditor of £7,541 (2020: £Nil).

All the above expenditure has been included in the financial statements under expenditure on charitable activities.

At the 31 March 2021 there was no debtor or creditor balance with Birtenshaw (2020: nil)

13. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Notes forming part of the financial statements for the year ended 31 March 2021

14. Tangible fixed assets

	Fixtures, Fittings And Equipment	Motor Vehicles	Total
Cost:	£	£	£
As at 1 April 2020	245,355	12,750	258,105
Additions	35,022	91,392	126,414
Disposals	-	-	-
As at 31 March 2021	280,377	104,142	384,519
Depreciation:			
As at 1 April 2020	(64,726)	(4,037)	(68,763)
Charge for the year	(59,262)	(15,598)	(74,860)
Depreciation on Disposals	-	-	-
As at 31 March 2021	(123,988)	(19,635)	(143,623)
Net book value			
As at 31 March 2021	156,389	84,507	240,896
As at 31 March 2020	180,629	8,713	189,342

Net Book Value of assets held on finance leases included in fixtures, fittings and equipment is £52,817 (2020: £74,673)

15. Debtors

	2021 £	2020 £
Trade debtors	13,557	277,948
Other debtors	-	2,153
Prepayments and accrued income	124,472	14,431
	138,029	294,532

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loan	36,488	36,488
Other Loans	-	-
Trade creditors	77,591	67,939
Other creditors	22,411	27,429
Accruals and deferred income	730,393	828,716
Taxation and social security costs	-	-
	866,883	960,572

Details of financial instruments are contained in **note 19**.

17. Deferred income

Deferred income comprises college and education income received in advance.

	2021 £	2020 £
Balance as at 1 April 2020	-	-
Amount released to income earned from charitable activities	-	-
Amount deferred in year	-	-
Balance as at 31 March 2021	-	-

18. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Secured bank loan (falling due in less than 5 years)	28,347	58,447
HP agreements (falling due in less than 5 years)	-	22,410
	28,347	80,857

19. Financial instruments

Financial instruments measured at amortised cost comprise the loan financing provided by Big Issue Invest.

Debt analysis

	2021 £	2020 £
Loans repayable by instalments:		
Within one year	36,488	36,488
In one year or more but less than two years	28,347	58,447
In two years or more and less than five years	-	-
Total loans	64,835	94,935

Big Issue Invest Loan is unsecured.

The loan is repayable monthly at a fixed rate of interest of 8% per annum over a period of 5 years.

The loan is due to be repaid in 2023.

At 31 March 2021 (2020: nil) the charity has no undrawn borrowing facilities:

Notes forming part of the financial statements for the year ended 31 March 2021

	2021	2020
20. Commitments under hire purchase agreements		
Not later than one year	22,411	27,194
Later than one year and not later than five years	-	22,410
	22,411	49,604

The obligations under hire purchase agreements are secured on the specific assets to which they relate.

21. Restricted funds

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

	Balance at 1 April 2020 £	Movements in funds			Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £	
Sunshine Variety	-	22,047	(4,409)	-	17,638
	-	22,047	(4,409)	-	17,638

Sunshine Variety provided a grant for the purchase of a vehicle. The grant was restricted to the purchase of a vehicle which is being depreciated over five years

22. Analysis of assets and liabilities between funds

	Unrestricted 2021	Restricted 2021	Total 2021
Tangible Fixed Assets	223,258	17,638	240,896
Debtors	19,914	-	19,914
Cash	2,270,070	-	2,270,070
Current Liabilities	(748,768)	-	(748,768)
Long term Liabilities	(28,347)	-	(28,347)
Total Net Assets	1,736,127	17,638	1,753,765
2020 Comparative	Unrestricted 2020	Restricted 2020	Total 2020
Tangible Fixed Assets	189,342	-	189,342
Debtors	294,532	-	294,532
Cash	508,915	-	508,915
Current Liabilities	(960,573)	-	(960,573)
Long term Liabilities	(80,857)	-	(80,857)
Total Net Assets	(48,641)	-	(48,641)

23. Commitments under operating leases

At 31 March 2021 the company had annual payment commitments under non-cancellable operating leases as follows:

	2021		2020	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Expiry date:				
Within one year	460,461	61,604	460,461	49,009
Between one and two years	1,841,844	117,559	1,841,844	98,017
Between two and five years	7,063,227	-	7,523,688	-
	<u>9,365,532</u>	<u>179,163</u>	<u>9,825,993</u>	<u>147,026</u>
	=====	=====	=====	=====

24. Post-balance sheet events

None

Notes forming part of the financial statements for the year ended 31 March 2021

Birtenshaw Merseyside

25. Statement of Financial Activities for year ended 31 March 2020

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Income from:				
Donations and grants	4,627	2,000	6,627	15,000
Charitable activities	2,736,426	-	2,736,426	685,541
Other trading activities	61,613	-	61,613	40,910
Total income	2,802,666	2,000	2,804,666	741,451
Expenditure on:				
<i>Expenditure on charitable activities:</i>				
Raising funds	-	-	-	-
Charitable activities	2,332,860	2,000	2,334,860	1,090,153
Other	-	-	-	-
Total expenditure	2,332,860	2,000	2,334,860	1,090,153
Net income/(expenditure) and net movement in funds for the year	469,806	-	469,806	(348,702)
Total Funds brought forward	(518,447)	-	(518,447)	(169,745)
Total funds carried forward	(48,641)	-	(48,641)	(518,447)