

**The Mulberry Bush Organisation Limited**  
**Financial Statements**  
**Year ended 31 August 2021**

# **The Mulberry Bush Organisation Limited**

## **Financial Statements**

**Year ended 31 August 2021**

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# **The Mulberry Bush Organisation Limited**

## **Charity Reference and Administrative Details**

**Year ended 31 August 2021**

<b>Charity registration number</b>	309565
<b>Company registration number</b>	538828
<b>Trustees</b>	Margaret Eynon Zoe Lattimer (Chair) Rosemary Lilley Simon Peacock Hugh Pidgeon Heather Price (Appointed 8 May 2021) Chris Pugh Richard Rollinson Michael Sarrington Satvinder Sondhi Mark Thomas
<b>Chief executive officer</b>	John Diamond
<b>Registered office</b>	Abingdon Road Standlake Witney OX29 7RW
<b>Auditor</b>	Critchleys Audit LLP Chartered Accountants Beaver House 23 - 38 Hythe Bridge Street Oxford OX1 2EP
<b>Solicitors</b>	MW Solicitors 34 Bell Street Reigate Surrey RH27SL
<b>Bankers</b>	National Westminster Plc 21 High Street Witney Oxon OX28 6HU

# **The Mulberry Bush Organisation Limited**

## **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

### **Year ended 31 August 2021**

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The trustees present their report and the audited financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

### **Structure, governance and management**

#### **Governing Document**

The organisation is a charitable company limited by guarantee, incorporated in October 1954 and registered as a charity on 5 January 1966. The members of the company comprise the Board of Trustees, together with any other persons invited by the trustees as likely to assist in the furtherance of the objects of the company. The company has no share capital and the liability of the members is limited to £1 each in the event of the company being wound up.

The organisation is governed by its Memorandum and Articles of Association dated 2 October 1954 as subsequently amended, most recently in December 2019. In October 2008, the company changed its name to "The Mulberry Bush Organisation Limited". In December 2019, the Memorandum and Articles were again updated (and accepted by the Charity Commission) to extend our charitable mission:

'The MB Charity will be a leading charity for advancing the education, training, research and specialist therapeutic services for emotionally troubled and traumatised children, young people, adults their families and communities.'

#### **Objectives and activities**

The Mulberry Bush Charity operates (1) The Mulberry Bush School and (2) The Mulberry Bush Learning and Research Centre, and (3) the Mulberry Bush Third Space (MB3).

1. The Mulberry Bush School provides residential care, education, treatment and therapy for up to 31 children aged 5 to 13 who, due to early emotional deprivation, abuse and neglect, have severe social, emotional and mental health difficulties. As a result of their experiences, they are left mistrustful, impulsive, aggressive, sexualised and unable to form appropriate relationships. The aim of the school is to equip each child with personal, emotional, social and learning skills and the ability to cope within a family, local school or community environment. The school is one of the leading providers of such integrated and multi-disciplinary therapeutic services to this age group. Children are placed at the school following an assessment of needs carried out in close association with referring local authorities and the child's family. All fees are paid by their local authority.
2. In 2018 we created The Mulberry Bush Learning and Research Centre, as a way to bring together and consolidate our Outreach and Research work under one organisational identity.
  - The Mulberry Bush Outreach: provides psychodynamic and attachment based outreach training, support and consultancy to Schools, Children's Homes and professionals working across the child care sector. Our Foundation degree accredited by UWE in 'therapeutic work with children and young people' is increasingly accessed by external students.

## **The Mulberry Bush Organisation Limited**

### **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

**Year ended 31 August 2021**

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#### **Objectives and activities (continued)**

- The Mulberry Bush Research: was established in September 2017 to ensure our practice is underpinned by a robust evidence base, and to extend our influence into academic networks involved in researching the needs of traumatised children, young people, their families and communities.
- 3. The Mulberry Bush Third Space (MB3): in Toddington, Gloucestershire, is being developed as a 'National Centre for Reflective Practice'. MB3 is enriched for research and study by the Planned Environment Therapy Archive, which holds collections related to the therapeutic community and progressive schools movements. It also holds the National Childcare Library. As a National Centre for Reflective Practice we are developing it as a centre for research, training, events and outdoor education.

MB3 is also the institutional base for The International Centre for Therapeutic Care, a free global alliance with networks across Africa, Europe, USA, and Australia, and its 'voice' The Therapeutic Care Journal (The TCJ). The mission of the International Centre via the TCJ is 'to share models of therapeutic care, and to extend the influence and insights gained from our member networks, in order to improve services and outcomes for traumatised children, young people their families and communities'.

#### **Public benefit statement**

In setting objectives and planning activities, the Trustees have given careful consideration to the Charity Commission's general guidance on the provision of public benefit. Our 2019 Impact Report evidences data from across our services.

The public benefit and impact of our charitable work is achieved through providing education, training, research and specialist therapeutic services to enable the social inclusion and reintegration of children, young people, adults, their families and communities and all those who are made vulnerable by early years' trauma and mental health difficulties back into family, school, community and social life. Without a robust and meaningful early intervention, the children, young people, families and clients who use our charitable services are at serious risk of future social marginalisation, becoming victims of criminal and gang culture, sexual exploitation, or radicalisation by extremist ideologies, and they are more likely to be on a trajectory towards long term secure-estate or psychiatric facilities. By breaking cycles of abuse, the work of the charity builds social capital, and provides significant cost saving to the taxpayer over each potential life cycle.

#### **Trustees of the charity**

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year-end are listed on page 2. We would like to thank our Chair of Trustees Richard Rollinson who stood down in 2020 enabling a smooth transition to our new Chair, Zoe Lattimer, who took over the role in December 2020.

#### **Organisational Structure**

The prime responsibility of the Board of Trustees is to provide sound governance. The management of the organisation is overseen by the trustees who meet regularly and are responsible for its strategic direction and policy, including the appointment of senior personnel, the review and approval of key operational and financial policies and procedures, the overall management of fundraising and publicity and the setting of annual fees and budget. The Board also operates Education, Care and Treatment, Finance and General Purposes and such other committees as may be decided from time to time.

# **The Mulberry Bush Organisation Limited**

## **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

**Year ended 31 August 2021**

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### **Organisational Structure (continued)**

In determining the appointment of trustees, the Board of Trustees identifies such skills as may assist in the furtherance of the objects and future development of the organisation and invites new trustees with due regard to their experience and qualifications for office. New trustees are supported in their appointment through the provision of a range of information on the activities of the organisation and publications by the Charity Commission on the formal responsibilities of trustees, together with the opportunity, before their appointment, to attend trustee and other meetings and observe the day to day activity of the organisation.

The Board has appointed John Diamond as Chief Executive Officer responsible for the development and implementation of the organisation's strategic plan.

The Mulberry Bush Organisation (MBO) Charity Executive comprises John Diamond Chief Executive Officer and John Turberville Chief Operating Officer. The Charity Resource Team comprises David Bowman Director of Finance and Jo Mitchell Head of Marketing and Fundraising. The team works to promote and extend the charity's national and international influence, oversees the effective running of all service operations and holds responsibility for the safety and welfare of all children and young people, adults, families who use our services and our invaluable staffing groups.

### **Remuneration policy**

The aggregated cost of employment of the MBO Charity Leadership team is £ 309,954 (2020 - £358,006). Remuneration for all staff is managed via an annual Salary Review, and overseen by the Finance and General Purposes Trustee sub-committee.

### **Strategic Report**

#### **Achievements and performance (including principal risks and uncertainties, development and performance and key performance indicators).**

As previously mentioned across 2020 we developed a transitional Strategic Plan to help us navigate and adapt to the pandemic. This was organised in three phases, the first two across 2020; 1. 'Survival and maintaining impact' (March to August 2020) 2. 'How we might emerge stronger' (Sept – Dec 2020), and 3. How we would aim to 'future proof' our work (the new 2021 – 2026 strategic plan).

January to March 2021 was again a very difficult time with Covid creating sickness absences which significantly impacted on the School's education and therapeutic residential care staff teams. This again required our 38 week children to return home, whilst we focused on maintaining appropriate cover for those children in our 52 week service 'The Burrow'. Despite staff shortages the School successfully brought in 11 referrals of new children across the year, and our move to put all Outreach and MB3 training online in the Summer/Autumn of 2020, enabled us to continue to extend our reach and influence to new audiences across the year.

By Easter 2021 we had successfully organised vaccinations for all our front line staff, and despite the ongoing impact of Covid we moved to a more regular and forward looking version of the Strategic plan.

This work across the ongoing pandemic accelerated many aspects of our organisational development. In particular, we realised the need to promote an integrated mission across all our services, and worked to extend our reach nationally and internationally.

This included a shift from a financial model based on all services having to cover their costs to a model based on shared collective income and with a new focus of increasing our charitable impact. We also increased the fundraising capacity of the charity by extending the team to include two new posts, and by merging the Fundraising and Marketing/Communications functions under one team. (See 'Support' below.)

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### **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

#### **Year ended 31 August 2021**

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We continue to organise delivery of our charitable impact across three headings: practice, support and influence.

##### **Practice**

The Mulberry Bush School enables us to reach up to 31 children and their families, either in 38 week 'term time' placements, and since its opening in 2018 our children's home 'The Burrow', has continued to extend our services to include 52 week care. The school continues to receive strong referrals from a broad range of Local Authorities. We now have a waiting list and our aim has been to bring in one child each month.

In February 2018 the overall effectiveness of The Mulberry Bush School was again rated as 'outstanding' by a full Education Ofsted inspection, the first since 2012. In October 2019, we received a further judgement of "outstanding" by Ofsted, this time – and for the first time – under the Children's Homes Regulations.

Our most recent Ofsted Social Care Inspection as a Children's Home was in April 2021, and despite the considerable impact of Covid on the life of the School, we again received a judgement of 'Outstanding.'

It is an indication of the dedication and commitment of staff across this time that the children continued to make outstanding social and emotional progress. To reduce the risk of Covid transmission the Education department has continued to teach children in their household 'bubbles' rather than class groups, and they have continued to make sound educational progress.

The School also continues to be accredited by the Royal College of Psychiatrists as a therapeutic community.

##### **Support**

The Mulberry Bush Outreach continues to provide training and consultancy to help us reach hundreds of people through our 'support' heading, mainly to mainstream and special schools, and largely now focusing on cultural change informed by therapeutic principles in order to reduce school exclusions and create a more nurturing school ethos for emotionally troubled pupils. Examples of this work have included our initiatives 'Project Nurture' and 'Project 8'. Our Foundation degree continues to be the main vehicle of training for MB staff and places are also sold to external students. In 2021 the team successfully negotiated the ownership of two interrelated trainings; The Therapeutic Communities and Environments Practitioner Training (TCEPT), and the experiential Living Learning Environment (LLE) course, which are designed to further the training of people interested in therapeutic community work. In 2021 the Outreach team were also beneficiaries of a Constable Education Trust grant that has enabled expansion of their work into 'The nurturing schools project', and we are working with a request from Dorset C.C. to deliver a range of County wide training for their care and education staff.

##### **Development of the Fundraising and Marketing Team**

Across 2021 our Head of FR and Marketing further developed the capacity of the team with the appointment of a full time Community, Corporate and Events Fundraiser and a Fundraising support administrator. This was a strategic decision to professionalise our marketing, and grow FR income in support of the development of services that would advance our charitable mission and objectives. We are currently seeking an events and engagements officer to support the growing work, which is currently managed by our Marcomms executive.

##### **Support and influence**

The Mulberry Bush Research, aims to develop and shape a research culture to influence practice within The Mulberry Bush (MB) and other schools, agencies and providers of care to vulnerable, traumatised children and their families. We collaborate with researchers in academic and other childcare settings.

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## **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

### **Year ended 31 August 2021**

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Our aim is to reach out and influence thousands of lives, through the activity of MB3, and the International Centre for Therapeutic Care and The Therapeutic Care Journal.

The Mulberry Bush Third Space (MB3) is becoming The National Centre for Reflective Practice (NCRP). A study and archive centre which holds the Planned Environment Therapy Archive and The National Childcare Library. As the NCRP this quiet rural site in Gloucestershire will run activities which will include research, training, events and outdoor activities and education opportunities. The growth of the Archive team and the arrival of a new administrative coordinator have strengthened the capacity and activity of the team to engage with new and existing stakeholders.

Across 2020/21 membership of the International Centre reached 458 people across our networks in the UK, Europe, Africa, Australia and the USA. Our online 'Therapeutic Care Journal' continues to be the main vehicle for communicating with these networks, with currently 1380 subscribers but thousands more across the world accessing the bi-monthly journal. Across 2020/21 we continued successful working partnerships with international organisations; International Federation of Educative Communities (FICE), Family for Every Child (FFEC), and the UK based Institute for Recovery from Childhood Trauma (IRCT), with whom we now run an annual conference.

### **Principal risks and uncertainties**

The Trustees review and consider all of the major risks to which MB services are exposed throughout the year and they have identified the four principal risks as:

1. The financial dependence of the school and other MB services on intermittent referrals of children by Local Authorities, and for the Outreach Team through DfE grants and contracted work from our mainstream and special school client base.

Strategies to manage or prevent a downturn in referrals:

- In the event of a period when there are no children placed or referred to the school, the school holds reserves that will cover 6 months' full and 6 months' half running costs. See reserves policy – page 9.
  - Maintaining and growing a broad referral base of work for both the School from Local Authority referrals from across England and Wales, and for our Outreach service from schools and social care organisations both regionally and nationally. We have committed ourselves to a new financial model which regards all income as a shared charity resource, and with a new emphasis on maximising our charitable impact.
2. The operational safety and welfare of children placed at the school and for those who use our Outreach services, and the 'safer recruitment' of staff appropriate to the care of such vulnerable children and young people.

Strategies to manage the risk of a serious safeguarding incident or allegation:

The Charity is committed to supporting the safety and welfare of all children, young people and families who use our services through active engagement with the current safeguarding agenda. Our School

safeguarding policies and procedures have been rated as 'outstanding' by OFSTED. The Charity enacts its commitment to the safeguarding agenda by:



# **The Mulberry Bush Organisation Limited**

## **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

**Year ended 31 August 2021**

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- Rigorous staff recruitment and vetting procedures. Recruitment is in accordance with the requirements of the Children's Homes Quality Standards under the Care Standards Act 2000 and protocols are also reviewed by OFSTED.
- All interview panels having at least one senior staff member or trustee who has undertaken safer recruitment training.
- Ensuring the Safeguarding agenda is embedded in all our service policies and in direct work with children and young people.
- The close supervision and management of children 24 hours a day;
- Encouraging independent advocacy for children, regular visits from 'Coram Voice' advocates, and equipping each household with a direct 'childline' telephone;
- Ensuring staff have regular supervision, consultation and access to our Level 5 training. Due to the vulnerability of many of our client groups, our safeguarding training is enhanced to a 2 year cycle, and is to the Oxfordshire Safeguarding Children's Board standard. We also deliver safeguarding training on behalf of the Oxon Safeguarding Board.
- Maintaining an excellent working relationship with the Oxfordshire Schools Safeguarding Team, and the Local Authority Designated Officer, and the Multi Agency Safeguarding Hub (MASH); and
- Maintaining an excellent reputation for working closely with parents, carers and referring authorities over any safeguarding issues.

In managing these risks, the school has developed a rigorous and well documented standard of operational policies which are required and checked procedures by the annual visits of the Office for Standards in Education (OFSTED).

### **3. Creating a sustainable model of service delivery:**

Strategies to achieve this:

- The opening of 'The Burrow', our children's home, in 2018, has successfully extended the service offer to Local Authorities who are seeking specialist provision for very hard-to-place children. We now provide a broader range of flexible 38 and 52 week specialist residential 'step down' provision.
- To establish a secondary school as part of our current strategic plan.
- For MB3 to be fully trading as a national 'Centre for Reflective Practice' offering research, training, events and outdoor education.
- The diversification of traded services, such as The Mulberry Bush Outreach service, to create new revenue streams for the Charity.

### **4. Impact of the Covid pandemic:**

Strategies to underpin our response:

- As noted at the beginning of the Strategic Report, we have moved on from the Covid transitional strategic plan that helped us navigate through the pandemic, the ongoing Strategic Plan is kept under regular review by the Executive and Trustees.

# **The Mulberry Bush Organisation Limited**

## **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

**Year ended 31 August 2021**

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- Operationally, the Executive, Charity Resource Group, Service Leads Group and the Schools Senior Leadership Team continue to work closely together to assess the changing guidance, circumstances and requirements in relation to the pandemic.

### **Financial review**

The principal activity of the charity at present is the School at Standlake and the critical financial measure of performance is the occupancy level. Average occupancy during the year was less than we had budgeted for and less than the number we had capacity for. Consequently, income from this activity was also less than budgeted. However, occupancy at the beginning of the year was at a low point because of a high proportion of summer leavers and, despite the difficult circumstances of the pandemic a high number of children joined us during the year.

Income generated by the Mulberry Bush Learning and Research Centre was short of budget but a lot of work was done to create opportunities for income and impact in subsequent years.

The Mulberry Bush Third Space was less available to visitors than we had hoped, and had capacity for, because of the pandemic and, again work was done to create opportunities for income and impact in subsequent years.

The general fund income for the year in respect of the provision of education and child care services was £5,283,178 compared to £5,340,333 in 2020.

Donated income from gifts and grants (including grants from central government) was £656,445, compared to £1,022,121 in 2020 when land at a value of £500,000 was transferred to the Mulberry Bush on the closure of the Planned Environment Therapy Trust (PETT).

Expenditure on charitable activities was higher at £6,101,133 compared to £5,948,473 in 2020, mostly driven by increased staff costs.

The total cash and bank balances as at 31 August 2021 were £5,274,466 (2020: £5,618,746) of which £386,809 was held to meet current liabilities. The reduction in cash and bank balances was partly related to the reduced level of activity but also to an increase in the amounts due from local authorities.

Total reserves are £11,807,311 of which £3,855,783 are in restricted funds. Of the restricted funds, there is a total of £3,424,953 held in the capital, playgrounds and vehicle funds which is an amount which can only be realised by disposing of tangible fixed assets.

### **Reserves policy**

As noted above in the principal risks and uncertainties section, the trustees have identified one of the principal risks as the financial dependence of the school on intermittent referrals of children by a number of Local Authorities. As part of the mitigation of this risk, the trustees aim to maintain unrestricted reserves equivalent to six months current running costs at full expenditure levels plus a further six months at half of full current running costs. This would allow a reasonable period of time in which to restore occupancy levels and, if that strategy were unsuccessful, to carry out an orderly restructuring which would allow the charity to operate at reduced levels of occupancy.

## **The Mulberry Bush Organisation Limited**

### **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

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In addition to cash reserves, the trustees are aware that the charity occupies land at Standlake and Toddington which have the potential to generate significant value for the charity should circumstances require.

Based on the budgeted running costs for the year ending 31 August 2022, our reserves policy requires the trustees to aim for £4.96m to be retained in unrestricted net current assets. At 31 August 2021, the charity held £5.0m in unrestricted net current assets. The reserves policy is regarded as an indicator rather than as a mandatory requirement and is reviewed annually.

#### **Fundraising**

The charity is registered with the Fundraising Regulator and seeks to comply with their code in all respects, including having a complaints policy, and have received no complaints about our fundraising activities. We do not make use of professional fundraisers or commercial participants.

#### **Investment policy**

The trustees have not felt it appropriate to invest in any assets other than cash but seek to optimise interest income through conventional short-term deposits with reputable and secure banks.

#### **Plans for future periods**

Each year, the Board of Trustees reviews with the Charity Executive a rolling strategic plan that looks at the vision and objectives of the school. The strategic objectives of the 2021-2026 plan include:

##### **Practice:**

1. To continue to maximise and manage well a referral stream of children referred to the School for specialist 38 and 52 week care, treatment and education.
2. To continue to market and promote our 38 week and 52 week offer, with The Burrow as an on-site service for up to 6 children in need of 52 week provision
3. To seek a site for, and to establish a specialist therapeutic residential secondary school.
4. To extend our offer of services to help families, by further developing the Therapies and Networks Team's family support and intervention work.

##### **Support and Influence:**

5. To increase the numbers of children and staff who benefit from The Mulberry Bush Outreach services across schools and social care.
6. To extend the reach and influence of the International Centre through partnerships with active global networks and organisations such as FICE and Family for Every Child.
7. To further develop the reach and influence of The Mulberry Bush Research.
8. To develop The Mulberry Bush Third Space as a National Centre for Reflective Practice.

## **The Mulberry Bush Organisation Limited**

### **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

**Year ended 31 August 2021**

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#### **Trustees' responsibilities**

The trustees as directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the net movement in funds of the charitable company for that period. In preparing these financial statements, the directors are required to:

- (i) Select suitable accounting policies and then apply them consistently;
- (ii) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

Trustees 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.

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information. The trustees confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

#### **Disclosure of information to the auditors**

We, the directors of the company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the Board



Zoe Lattimer, Chair  
13 November 2021

# **The Mulberry Bush Organisation Limited**

## **Independent Auditor's Report**

**Year ended 31 August 2021**

### **Independent auditor's report to the members of Mulberry Bush Organisation Limited Opinion**

We have audited the financial statements of The Mulberry Bush Organisation Limited (the "Charity") for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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 Mulberry Bush Organisation Limited's ability to continue as a going concern for a period of at least 12 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, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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

We have nothing to report in this regard.

# **The Mulberry Bush Organisation Limited**

## **Independent Auditor's Report**

**Year ended 31 August 2021**

### **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 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 directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper 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.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement [set out on page 11], 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 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 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 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;

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## **Independent Auditor's Report**

**Year ended 31 August 2021**

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience;
- 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.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- 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; and

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing relevant correspondence.

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.

# **The Mulberry Bush Organisation Limited**

## **Independent Auditor's Report**

### **Year ended 31 August 2021**

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.



Robert Kirtland (Senior Statutory Auditor)

For and on behalf of Critchleys Audit LLP  
Beaver House  
23-38 Hythe Bridge Street  
Oxford  
OX1 2EP

Date : 16 November 2021



# The Mulberry Bush Organisation Limited

## Statement of Financial Activities (Including Income and Expenditure Account)

Year ended 31 August 2021

	Note	2021				2020			
		Unrestricted General £	Designated £	Restricted funds £	Total £	Unrestricted General £	Designated £	Restricted funds £	Total £
<b>Income from</b>									
Donations and grants	2	521,427	-	135,018	<b>656,445</b>	846,329	46,723	129,069	<b>1,022,121</b>
Charitable activities	3	5,283,178	-	-	<b>5,283,178</b>	5,340,323	-	-	<b>5,340,323</b>
Investments	4	1,802	-	-	<b>1,802</b>	11,806	-	-	<b>11,806</b>
<b>Total income</b>		<b>5,806,407</b>	<b>-</b>	<b>135,018</b>	<b>5,941,425</b>	<b>6,198,458</b>	<b>46,723</b>	<b>129,069</b>	<b>6,374,250</b>
<b>Expenditure on:</b>									
Raising funds		100,077	-	-	<b>100,077</b>	53,176	-	-	<b>53,176</b>
Charitable activities	5	5,819,932	6,223	276,978	<b>6,103,133</b>	5,529,362	27,235	391,876	<b>5,948,473</b>
<b>Total expenditure</b>		<b>5,920,009</b>	<b>6,223</b>	<b>276,978</b>	<b>6,203,210</b>	<b>5,582,538</b>	<b>27,235</b>	<b>391,876</b>	<b>6,001,649</b>
<b>Net income/(expenditure)</b>		<b>(113,602)</b>	<b>(6,223)</b>	<b>(141,960)</b>	<b>(261,785)</b>	<b>615,920</b>	<b>19,488</b>	<b>(262,807)</b>	<b>372,601</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(196,135)</b>	<b>196,135</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(113,602)</b>	<b>(6,223)</b>	<b>(141,960)</b>	<b>(261,785)</b>	<b>615,920</b>	<b>(176,647)</b>	<b>(66,672)</b>	<b>372,601</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward	16	8,007,509	63,844	3,997,743	<b>12,069,096</b>	7,391,589	240,491	4,064,415	<b>11,696,495</b>
<b>Total funds carried forward</b>	16	<b>7,893,907</b>	<b>57,621</b>	<b>3,855,783</b>	<b>11,807,311</b>	<b>8,007,509</b>	<b>63,844</b>	<b>3,997,743</b>	<b>12,069,096</b>

All income and expenditure derive from continuing activities.

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

# The Mulberry Bush Organisation Limited

## Balance Sheet

Year ended 31 August 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	6,327,789	6,448,033
<b>Current assets</b>			
Debtors	13	591,865	324,986
Cash at bank and in hand		5,274,466	5,618,746
		<u>5,866,331</u>	<u>5,943,732</u>
<b>Creditors: amounts falling due within one year</b>	14	(386,809)	(322,669)
<b>Net current assets</b>		<u>5,479,522</u>	<u>5,621,063</u>
<b>Net assets</b>		<u>11,807,311</u>	<u>12,069,096</u>
<b>Charity funds</b>			
Restricted funds	16	3,855,783	3,997,743
Unrestricted funds	16	7,951,528	8,071,353
<b>Total charity funds</b>	16	<u>11,807,311</u>	<u>12,069,096</u>

The financial statements were approved and authorised for issue by the Board on 13 November 2021.

Signed on behalf of the Board of Trustees



Zoe Lattimer, Chair  
13 November 2021

The notes on pages 19 to 27 form part of these financial statements.

Company registration number: 538828

# The Mulberry Bush Organisation Limited

## Statement of Cash Flow

Year ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flow from operating activities</b>	18	(154,406)	51,344
Interest paid		-	-
<b>Net cash flow from operating activities</b>		<u>(154,406)</u>	<u>51,344</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(192,677)	(284,401)
Interest received		2,803	11,806
<b>Net cash flow from investing activities</b>	18	<u>(189,874)</u>	<u>(272,595)</u>
<b>Net cash flow from financing activities</b>		<u>-</u>	<u>-</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(344,280)	(221,251)
<b>Cash and cash equivalents at 1 September 2020</b>		5,618,746	5,839,997
<b>Cash and cash equivalents at 31 August 2021</b>		<u>5,274,466</u>	<u>5,618,746</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		3,274,466	3,618,746
Short term deposits		2,000,000	2,000,000
<b>Cash and cash equivalents at 31 August 2021</b>		<u>5,274,466</u>	<u>5,618,746</u>

# **The Mulberry Bush Organisation Limited**

## **Notes to the Financial Statements**

**Year ended 31 August 2021**

### **1 Summary of significant accounting policies**

#### **(a) General information and basis of preparation**

The Mulberry Bush Organisation Limited is a charitable company registered in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities is the provision of residential care, education, treatment and therapy and an outreach and training service.

The charity constitutes a public benefit entity as defined by FRS 102. 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice effective 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **(b) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

#### **(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time, in line with the SORP (FRS 102).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of both The Mulberry Bush School and Outreach. Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and

# **The Mulberry Bush Organisation Limited**

## **Notes to the Financial Statements**

### **Year ended 31 August 2021**

#### **(c) Income recognition (continued)**

the amount can be measured reliably. If entitlement were not met, then the amounts would be deferred.

Interest income is recognised in the period in which it is earned.

#### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the relevant proportion of salary costs, the cost of events and the cost of collecting income.
- Expenditure on charitable activities includes the direct costs of running and promoting the school and teaching school plus an allocation of support costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### **(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

#### **(f) Leased assets**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are recognised as resources expended as incurred.

#### **(g) Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land	Nil
Freehold buildings	40 years
Furniture and equipment	20% on cost
Motor vehicles	25% on the reducing balance method

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

### Year ended 31 August 2021

#### (h) Creditors payable within one year

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.

#### (i) Employee benefits

The charity operates defined contribution plans for the benefit of its non-teaching staff and contributions are expensed as they become payable. Teaching staff are members of the Teachers' Pension Scheme which is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

#### (j) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### (k) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

## 2 Income from donations and grants

	2021 £	2020 £
Gifts	239,699	675,793
Grants	416,746	346,328
	<u>656,445</u>	<u>1,022,121</u>

In 2020, the value of gifts was enhanced by the transfer of £575,548 in land and liquid funds from the Planned Environment Therapy Trust (PETT).

## 3 Income from charitable activities

	2021 £	2020 £
Mulberry Bush School	5,170,255	5,179,893
Mulberry Bush Learning & Research Centre	84,708	136,525
Mulberry Bush Third Space	28,214	23,915
	<u>5,283,177</u>	<u>5,340,333</u>

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

Year ended 31 August 2021

### 4 Income from investments

	2021 £	2020 £
Interest receivable	<u>1,802</u>	<u>11,806</u>

### 5 Analysis of expenditure on charitable activities

2021	Activities undertaken directly £	Support costs £	Total £
Mulberry Bush School - Practice	4,573,317	1,098,735	5,672,052
Mulberry Bush Learning and Research Centre - Support	362,059	52,179	414,238
Mulberry Bush Third Space - Influence	129,331	44,981	174,312
	<u>5,064,707</u>	<u>1,195,895</u>	<u>6,103,133</u>
2020	Activities undertaken directly £	Support costs £	Total £
Mulberry Bush School - Practice	4,396,345	947,585	5,343,930
Mulberry Bush Learning and Research Centre - Support	371,664	46,708	418,372
Mulberry Bush Third Space - Influence	142,038	44,133	186,171
	<u>4,910,047</u>	<u>1,038,426</u>	<u>5,948,473</u>

### 6 Allocation of support costs

2021	Basis of allocation	Raising funds £	Practice £	Support £	Influence £	Total £
Staff	Actual	-	204,547	-	-	204,547
Premises	Actual	-	209,490	29,035	28,894	267,419
IT support	Per head	-	113,598	7,519	6,140	127,257
Insurance	Per head	-	49,218	3,175	1,347	53,741
Office	Per head	-	65,031	4,196	1,780	71,007
Marketing	Per head	-	65,542	4,228	1,794	71,564
Professional fees	Per head	-	83,070	5,359	2,274	90,703
Other	Per head	-	6,038	390	165	6,593
Depreciation	Actual	-	287,574	-	15,490	303,064
Disposals	Actual	-	-	-	-	-
Total		-	<u>1,084,108</u>	<u>53,903</u>	<u>57,884</u>	<u>1,195,895</u>

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

Year ended 31 August 2021

### 6 Allocation of support costs (continued)

2020

	Basis of allocation	Raising funds	Practice	Support	Influence	Total
		£	£	£	£	£
Staff	Actual	-	213,135	-	-	213,135
Premises	Actual	-	170,469	29,035	30,924	230,428
IT support	Per head	-	72,542	4,411	3,262	80,215
Insurance	Per head	-	40,367	2,349	-	42,716
Office	Per head	-	83,988	4,887	-	88,875
Public relations	Per head	-	38,420	2,236	-	40,656
Professional fees	Per head	-	58,782	3,421	-	62,203
Other	Per head	-	6,495	369	-	6,864
Depreciation	Actual	-	263,387	-	9,947	273,334
Disposals	Actual	-	-	-	-	-
Total		-	947,585	46,708	44,133	1,038,426

### 7 Governance costs

	Note	2021 £	2020 £
Trustee remuneration	10	-	-
Trustee expenses		391	1,088
Auditor's remuneration (including expenses)	9	8,100	7,800
Auditor's non-audit remuneration		2,232	3,482
		<u>10,723</u>	<u>12,370</u>

### 8 Net income/(expenditure) for the year

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>303,234</u>	<u>273,334</u>

### 9 Auditor's remuneration

	2021 £	2020 £
Fees payable to the charity's auditor to audit the annual accounts	<u>8,100</u>	<u>7,800</u>
Fees payable to the charity's auditor for other services:		
Audit-related assurance	984	1,770
Other services	1,248	1,712
	<u>2,232</u>	<u>3,482</u>



# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

### Year ended 31 August 2021

#### 10 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2020 - Nil).

The total amount of employee benefits received by key management personnel was £287,739 (2020 - £322,683). The Trust considers its key management personnel comprise its trustees and charity leadership team.

The reimbursement of trustees' expenses was as follows:

	2021 Number	2020 Number	2021	2020
Travel	1	2	391	1,088

#### 11 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2021 Number	2021 FTE	2020 Number	2020 FTE
Raising funds	3	2.3	1	0.5
Charitable activities:				
Mulberry Bush School	105	102.3	108	105.5
Mulberry Bush Learning & Research	8	7.2	8	6.6
Mulberry Bush Third Space	4	3.8	4	2.8
	120	115.6	121	115.4

The total staff costs and employees' benefits was as follows:

	2021 £	2020 £
Wages and salaries	3,955,322	3,928,311
Social security	395,846	394,695
Apprenticeship levy	4,805	4,732
Defined contribution pension costs	268,027	248,387
	<u>4,624,000</u>	<u>4,576,125</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2021 Number	2020 Number
£60,001 - £70,000	3	2
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

Year ended 31 August 2021

### 12 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation:				
At 1 September 2020	7,891,709	661,019	125,370	8,678,098
Additions	159,486	23,504	-	182,990
Disposals	-	(385,306)	-	(385,306)
At 31 August 2021	8,051,195	288,217	125,370	8,475,782
Depreciation:				
At 1 September 2020	1,646,031	488,506	95,528	2,230,065
Charge for the year	234,815	60,959	7,460	303,234
Disposals	-	(385,306)	-	(385,306)
At 31 August 2021	1,880,846	164,159	102,988	2,147,993
Net book value:				
At 31 August 2021	6,170,348	135,059	22,382	6,327,789
At 31 August 2020	6,245,678	172,513	29,842	6,448,033

### 13 Debtors

	2021 £	2020 £
Trade debtors	501,950	277,513
Prepayments	56,020	36,989
Other debtors	33,895	10,484
	<u>591,865</u>	<u>324,986</u>

### 14 Creditors: amounts falling due within one year

	2021 £	2020 £
Operating creditors	84,799	62,091
Creditors in respect of fixed assets	75,969	85,657
Other tax and social security	107,899	102,333
Accruals and deferred income	28,687	725
Pensions liability	37,103	34,868
Other creditors	52,352	36,995
	<u>386,809</u>	<u>322,669</u>

### 15 Contingent liabilities

There were no contingent liabilities at 31 August 2021 (2020 – Nil).

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

Year ended 31 August 2021

### 16 Fund reconciliation

#### Unrestricted funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
General	8,007,509	5,806,407	5,920,009	-	7,893,907
Designated:					
Additional resources	63,844	-	6,223	-	57,621
	<u>8,071,353</u>	<u>5,806,407</u>	<u>5,926,232</u>	<u>-</u>	<u>7,951,528</u>

#### Restricted funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
Original buildings	2,521,862	-	93,446	-	2,428,416
The Burrow	<u>972,516</u>	-	<u>83,369</u>	-	<u>889,148</u>
Capital	3,494,378	-	176,815	-	3,317,564
Vehicles	10,464	-	3,283	-	7,180
Playgrounds	46,482	-	12,120	-	34,362
Refurbishment	432,919	28,801	-	-	461,720
Library	3,500	-	-	-	3,500
Family weekend work	10,000	-	10,000	-	-
Archive work	-	25,890	25,890	-	-
Training support	-	11,327	11,327	-	-
Research work	-	9,000	-	-	9,000
Outreach work	-	60,000	37,543	-	22,457
	<u>3,997,743</u>	<u>135,018</u>	<u>276,978</u>	<u>-</u>	<u>3,855,783</u>

#### Fund descriptions

a) Unrestricted funds are held to help fulfil The Mulberry Bush charitable objects and underpin its risk management and reserves policy.

b) Designated funds are unrestricted funds earmarked by the trustees for particular projects and resources not funded by local authority fees.

c) Restricted funds have restrictions on their use imposed by the donor or through the terms of an appeal.

The Capital fund is credited with income to be used for major development and improvement to the organisation's infrastructure and charged with the depreciation of the buildings paid for from the fund. The Vehicles fund is used for the purchase vehicles and the related depreciation is charged to the fund each year.

The Playgrounds fund is available to contribute to the cost of playgrounds improvement.

The refurbishment fund will be used for site improvements and refurbishment. Initially, this was set up with money raised by the 70th anniversary appeal.

The Library fund has money which was given for a library for the children at the School.

The family weekend fund was used for work with the families of children at Mulberry.

The Archive work fund comes from a grant to enable work on the Harold Bridger archive.

The training support fund financed work to develop a Certificate in Therapeutic group Work.

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

Year ended 31 August 2021

### Fund descriptions (continued)

The research work fund contributes to the cost of employing a research assistant.  
The Outreach work fund funds some work with several primary schools who have a significant proportion of pupils with SEMH difficulties.

### 17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	2,902,836	-	3,424,953	6,327,789
Cash at bank and in hand	4,710,046	57,621	506,799	5,274,466
Other net current assets	281,025	-	(75,969)	205,056
Total	7,893,907	57,621	3,855,783	11,807,311

### 18 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the year	(261,785)	372,601
Interest receivable	(1,802)	(11,807)
Depreciation of tangible fixed assets	303,234	273,334
Gift in kind	-	(500,000)
Decrease/(increase) in debtors	(267,879)	(29,927)
Increase/(decrease) in creditors	73,830	(52,857)
Net cash flow from operating activities	(154,406)	51,344

### 19 Pensions and other post-retirement benefits

The charity operates defined contribution pension plans for its employees. The amount recognised as an expense in the period was £268,027 (2020 - £248,387).

### 20 Financial commitments

The charity has an operating lease related to an office and meeting room facility, used principally as the Learning & Research Centre, under which £23,040p.a. is payable by monthly instalments until the lease expires on 25 February 2025, subject to rent review and break clauses effective in 2021 and 2023. £23,040 was paid during the year; £23,040 is payable within one year; and £57,650 is payable in 1-5 years.

### 21 Related party transactions

Travelling expenses totalling £391 were paid to one trustee (2020 - £1,088 to two trustees). In 2020, Mulberry Bush received the assets of the Planned Environment Therapy Trust (PETT), comprising £500,000 in land and £75,548 in liquid funds. One trustee was also trustee of PETT until its closure in September 2020.