

**The Mulberry Bush Organisation Limited**  
**Financial Statements**  
**Year ended 31 August 2022**

# **The Mulberry Bush Organisation Limited**

## **Financial Statements**

**Year ended 31 August 2022**

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# **The Mulberry Bush Organisation Limited**

## **Charity Reference and Administrative Details**

**Year ended 31 August 2022**

<b>Charity registration number</b>	309565
<b>Company registration number</b>	538828
<b>Trustees</b>	Margaret Eynon Zoe Lattimer (Chair) Rosemary Lilley Tina Malhotra (Appointed 13 July 2022) Simon Peacock Hugh Pidgeon Heather Price Chris Pugh Richard Rollinson Michael Sarrington Satvinder Sondhi Mark Thomas Gordana Turudija-Austin (Appointed 13 July 2022)
<b>Chief executive officer</b>	John Turberville
<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 2022**

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The trustees present their report and the audited financial statements of the charity for the year ended 31 August 2022. 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, (3) the Mulberry Bush Third Space (MB3) and (4) The International Centre for Therapeutic Care with the Therapeutic Care Journal.

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 also works with the children's families to help stabilise home placements and support reintegration to the home setting. 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, Research and Consulting work under one organisational identity.
  - The Mulberry Bush Outreach: provides psychodynamic and attachment based outreach training, support and consultancy to Schools, Children's Homes, Foster Care, Children's

# **The Mulberry Bush Organisation Limited**

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

Social Care, Criminal Justice and those working with all those affected by childhood trauma. We have an increasing number of accredited courses including our Level 5 Foundation degree accredited by UWE in 'therapeutic work with children and young people', and our Level 4 Certificate in Therapeutic Childcare which are delivered internally to our staff and to staff teams across the country.

- 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.
  - Mulberry Bush Consulting was started this year and provides Executive Coaching, Leadership Coaching, Mentoring, Organisational Development Consultancy and Organisation Change Consultancy to individuals and organisations in the UK and abroad. It works with individuals and organisations to support the development of therapeutic approaches and reflective practice.
3. The Mulberry Bush Third Space (MB3): in Toddington, Gloucestershire, is being developed as a centre for training and learning about therapeutic approaches and reflective practice. It has both residential and day facilities and its culture reflects therapeutic community principles. 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. The archive links closely to our Research team.
4. 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 2020/21 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 and working with those struggling with the impact of early life trauma, the work of the charity builds social capital, and provides significant cost saving to the taxpayer over each potential life cycle.

# **The Mulberry Bush Organisation Limited**

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

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### **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.

### **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.

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 Turberville, who succeeded John Diamond on 1 August 2022, as Chief Executive Officer responsible for the development and implementation of the organisation's strategic plan.

The Mulberry Bush Organisation (MBO) Charity Leadership Group currently comprises John Turberville Chief Executive Officer, David Bowman Director of Finance, Caryn Onions Head of Research, Lee Wright School Director, Dave Roberts Head of Outreach, Sarah Paget Head of Mulberry Bush Consulting, Jo Mitchell Head of Fundraising and Marketing and Marya Hemmings Head of MB3. The Charity Leadership Group oversees the strategic development of the charity and work with their senior leadership teams to deliver the services of the charity.

### **Remuneration policy**

The aggregated cost of employment of the MBO Charity Leadership Group is £314,544 (2021 - £301,829). 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).

Over 2021, we adapted and developed our transitional strategic plan that helped us navigate through and out of the pandemic. We focused on what we had learned through adapting our services and have emerged in a strong position.

The charity has written a Theory of Change document that helps describe the work of the charity and how it helps those we work with. The revised Strategic Plan 2022 – 2027 sets out our priorities and areas for development over the next 5 years.

The charity continues to extend the range of services offered locally, regionally, nationally and internationally.

The Outreach service engaged in funded project work to support Nurturing Practices in Schools and promote inclusion with a focus on research based practice. It also extended its work into training local authority social care practitioners.

# **The Mulberry Bush Organisation Limited**

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

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### **Strategic Report (continued)**

Mulberry Bush Consulting is working with social care leaders in Europe and school leaders in the UK.

The school remained open and accepting children throughout covid and the systems and structures that are at the heart of the therapeutic process are slowly being re-introduced. Referrals and enquiries for the services of the school have remained high. There have been recruitment challenges, especially for the residential side of the school that have prevented the school returning to full occupancy.

MB3 has been able to open its doors to face to face training and events, - both to day groups and residential experiences.

All services have continued to have a commitment to developing research based practice and have continued to work at integrating the mission of the services.

There has been a greater focus on sharing responsibility for the shared income across all services and also sharing the equal importance of charitable impact. The charity continues to organise delivery of the charitable impact across three headings: practice, support and influence.

The fundraising and marketing functions of the charity have continued to grow in importance as the charity grows, supporting the resourcing of existing activities and sourcing funds for the development of new activities.

### **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.

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.

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. The staff team continually adapted the provision to minimise the impact of the pandemic on the service and during 2022 have been re-establishing the therapeutic community practices of working in larger groups and as a community.

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

Mulberry Bush Outreach continues to provide training, support and mentoring to help us reach hundreds of people through our 'support' heading, to providers in the education, social care and health sectors.

In education the main focus is on 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. Two funded projects are delivering this work, one in Coventry schools and one in Thames Valley schools. Both have a research element to them.

For social care, our Foundation degree continues to be the main vehicle of training for MB staff and external students. Two cohorts run in Oxfordshire and a new cohort is starting in 2022 in London.

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### **Support (continued)**

In 2021 the team successfully brought into our portfolio of courses 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. The LLE is being successfully delivered at MB3 and TCEPT is being prepared for a new cohort in 2023.

In 2022 Outreach accredited a Level 4 qualification in Therapeutic Work with Children. This is being delivered to social care teams in Dorset.

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

In 2022 our Head of Fundraising and Marketing further developed the capacity of the team with the appointment of a full time Community, Events and Corporate Fundraiser and a Fundraising, Administrator and Support Officer. This was a strategic decision to professionalise our marketing and grow fundraised income in support of the development of services that would advance our charitable mission and objectives. We also appointed an Events Marketing and Engagement Officer.

### **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 and traumatised children and their families. We collaborate with researchers in academic and other childcare settings. In 2021, we added a Research Assistant to build the capacity of our research team. This post is funded by a trust grant.

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 a national centre for reflective practice. A study and archive centre which holds the Planned Environment Therapy Archive and The National Childcare Library. This quiet rural site in Gloucestershire runs activities which include research, training, events and outdoor activities and education opportunities. The growth of the Archive team has strengthened the capacity and activity of the team to engage with new and existing stakeholders, as well as accelerating the work of sorting and cataloguing collections.

The 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 2021/22 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 following principal risks as:

1. The replacement of the retiring CEO with a known leader and the strength and stability of the leadership team is vital to the stability of the whole enterprise.
2. The maintenance of a healthy reserve to support the charity through any downturn in activity and income is of central importance to charity management.
3. The risk of covid impacting the running of the charity has diminished over 2021/22.



# **The Mulberry Bush Organisation Limited**

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

**Year ended 31 August 2022**

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4. The recruitment of a skilled staff team in a highly competitive market.
5. The financial dependence of the school and other MB services on intermittent referrals of children by Local Authorities, and for the Outreach Team through Department for Education grants and contracted work from our mainstream and special school client base. This could be impacted by spending squeeze on Local Authorities.

Strategies to manage or prevent a downturn in referrals:

- 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. School leaders have been meeting with commissioners across the country to promote the work of the school, hear about their needs and ensure widespread knowledge of the outcomes achieved.
  - 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.
6. The operational safety of all those we work with and the 'safer recruitment' of staff appropriate to work with challenging and vulnerable groups.

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

The Charity is committed to supporting the safety and welfare of all those who use our services through active engagement with the current safeguarding agenda. Our School safeguarding leads oversee school safeguarding practice, policy and procedures. These have been rated as 'outstanding' by OFSTED. The Charity also has a safeguarding lead to help manage any matters that arise through the archive or Outreach services. The charity enacts its commitment to the safeguarding agenda by:

- Rigorous staff recruitment and vetting procedures. School 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.
- Ensuring the Safeguarding agenda is embedded in all our service policies and in direct work with all those we work with.
- 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 all staff have regular supervision, consultation and those working with children have 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.

## **The Mulberry Bush Organisation Limited**

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

**Year ended 31 August 2022**

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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).

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

Strategies to achieve this:

- To establish a secondary school as part of our current strategic plan.
- For MB3 to be fully trading offering research, training, events and outdoor education.
- The diversification of traded services, such as The Mulberry Bush Outreach services, to create new revenue streams for the Charity and further our charitable impact.
- To develop saleable products that create additional income streams and provide support to purchasers to better understand and work with their clients.
- To develop our research department to explore what works and share research based practice.

#### **Financial review**

The charity has diversified its service to help transform the lives of all those affected by childhood trauma. Having safely managed the charity through the pandemic with some caution, the focus is now on growth and development.

The main areas of growth are likely to be from Support and Influence activities. Income generated by these activities over the last year were above budget.

The Mulberry Bush Third Space was able to start accepting visiting groups for training and events with the easing of covid restrictions. Revenue generating activity was therefore better than expected.

The principal income generating activity of the charity at present is the School at Standlake and the critical financial measure of performance is the occupancy level. Occupancy of our 38 week service was lower than we had planned for and so was less than we had budgeted for. However, occupancy of our 52 week service was higher and so overall, income was higher than budget.

The general fund income for the year in respect of the provision of education and child care services was £6,115,534 compared to £5,283,178 in 2021, an increase of 16%.

Donated income from gifts and grants (including grants from central government) was £667,177, compared to £656,445 in 2021, an increase of 2% despite a reduction in the core central government funding which comes to us via the Department of Education.

Expenditure on charitable activities was higher at £6,504,395 compared to £6,103,133 in 2021, an increase of 7% which we believe has translated into increased charitable impact. Our major cost is our staff costs which increased by 5%, less than we had budgeted for because of the difficulties of recruitment into certain positions in the school service.

The total cash and bank balances as at 31 August 2022 were £6,262,367 (2021: £5,274,466) of which £725,420 was held to meet current liabilities. The increase in cash and bank balances was partly related to the increased level of activity and also to a decrease in the amounts due from local authorities.

Total reserves are £11,984,048 of which £688,300 are in restricted funds. Now that the restriction on money donated to the capital fund has been satisfied by the completion of the buildings the balance has been transferred to unrestricted. This could have been done earlier but Trustees are bringing the position into line.

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### **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.

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.

Using the current running costs as a basis, our reserves policy indicates that £4.71m should be retained in unrestricted net current assets. At 31 August 2022, the charity held £5.26m in unrestricted net current assets which means there are funds available for investment in further development. 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 charity.

The strategic objectives of the 2022-2027 plan focus on developing activities across our three areas of focus; Practice, Support and Influence. To enable this to happen, the charity plans to strengthen central functions of the charity to support growth:

#### **Head Office Functions:**

1. To provide HR management supporting recruitment and retention of staff.
2. Further building the Fundraising and Marketing Team to support services.
3. Introducing a Diversity Equity and Inclusion lead to support the charity to improve its practices.
4. Appointing a Project Manager to help guide and manage projects to fruition.

#### **Practice:**

1. To establish a research culture across all services of the Mulberry Bush
2. To seek a site for, and to establish a specialist therapeutic residential secondary school.
3. To maximise occupancy of the school and to increase the flexibility offered to referring authorities with more 52 week placements and effective step down provision.

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**Year ended 31 August 2022**

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4. To extend and intensify our work with families and increase the provision of occupational therapy for the children.

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

5. To develop the offer of courses, support and training to reach more people to benefit from The Mulberry Bush Outreach services across education, health and social care.
6. To develop the offer of therapeutic community related courses at MB3, appointing a new training TC lead who is a part of the Mulberry Bush Outreach team. This person will develop MB3's therapeutic community culture and maximise opportunities for groups to benefit from it as a resource.
7. For Mulberry Bush Consulting to extend its support to leaders and leadership teams in the UK and abroad. Mulberry Bush Consulting will also extend the reach and influence of the International Centre through partnerships with active global networks and organisations and promote the circulation of the Therapeutic Care Journal.
8. To further develop the reach and influence of The Mulberry Bush Research, connecting it with the Planned Environment Therapy Archive and National Childcare Library.

#### **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.

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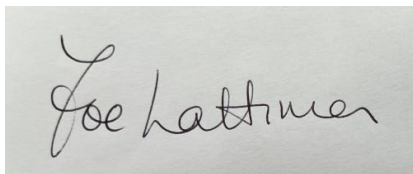
### **Disclosure of information to the auditors**

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

A handwritten signature in black ink, reading "Zoe Lattimer". The signature is written in a cursive style with a large initial 'Z'.

Zoe Lattimer, Chair  
16 November 2022

# **The Mulberry Bush Organisation Limited**

## **Independent Auditor's Report**

**Year ended 31 August 2022**

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

#### **Opinion**

We have audited the financial statements of The Mulberry Bush Organisation Limited (the "charitable company") for the year ended 31 August 2022 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 charitable company's affairs as at 31 August 2022 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 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 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.

#### **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.

# **The Mulberry Bush Organisation Limited**

## **Independent Auditor's Report**

**Year ended 31 August 2022**

### **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;
- 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

# **The Mulberry Bush Organisation Limited**

## **Independent Auditor's Report**

### **Year ended 31 August 2022**

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.

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 (Statutory Auditor)  
Beaver House  
23-38 Hythe Bridge Street  
Oxford  
OX1 2EP  
17/11/2022



# The Mulberry Bush Organisation Limited

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

Year ended 31 August 2022

	Note	2022				2021			
		Unrestricted General £	Designated £	Restricted funds £	Total £	Unrestricted General £	Designated £	Restricted funds £	Total £
<b>Income from</b>									
Donations and grants	2	370,363	-	296,814	667,177	521,427	-	135,018	656,445
Charitable activities	3	6,115,534	-	-	6,115,534	5,283,178	-	-	5,283,178
Investments	4	3,569	-	-	3,569	1,802	-	-	1,802
<b>Total income</b>		6,489,466	-	296,814	6,786,280	5,806,407	-	135,018	5,941,425
<b>Expenditure on:</b>									
Raising funds		105,148	-	-	105,148	100,077	-	-	100,077
Charitable activities	5	6,169,978	10,502	323,915	6,504,395	5,819,932	6,223	276,978	6,103,133
<b>Total expenditure</b>		6,275,126	10,502	323,915	6,609,543	5,920,009	6,223	276,978	6,203,210
<b>Net income/(expenditure)</b>		214,340	(10,502)	(27,101)	176,737	(113,602)	(6,223)	(141,960)	(261,785)
<b>Transfers between funds</b>		3,140,382	-	(3,140,382)	-	-	-	-	-
<b>Net movement in funds</b>		3,354,722	(10,502)	(3,167,483)	176,737	(113,602)	(6,223)	(141,960)	(261,785)
<b>Reconciliation of funds:</b>									
Total funds brought forward	16	7,893,907	57,621	3,855,783	11,807,311	8,007,509	63,844	3,997,743	12,069,096
<b>Total funds carried forward</b>	16	11,248,629	47,119	688,300	11,984,048	7,893,907	57,621	3,855,783	11,807,311

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

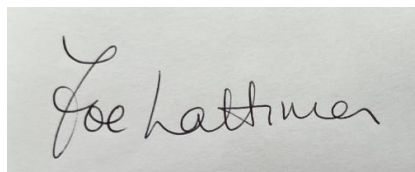
## Balance Sheet

Year ended 31 August 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	6,159,693	6,327,789
<b>Current assets</b>			
Debtors	13	287,408	591,865
Cash at bank and in hand		6,262,367	5,274,466
		<u>6,549,775</u>	<u>5,866,331</u>
<b>Creditors: amounts falling due within one year</b>	14	(725,420)	(386,809)
<b>Net current assets</b>		<u>5,824,355</u>	<u>5,479,522</u>
<b>Net assets</b>		<u>11,984,048</u>	<u>11,807,311</u>
<b>Charity funds</b>			
Restricted funds	16	688,300	3,855,783
Unrestricted funds	16	11,295,748	7,951,528
<b>Total charity funds</b>	16	<u>11,984,048</u>	<u>11,807,311</u>

The financial statements were approved and authorised for issue by the Board on 16 November 2022.

Signed on behalf of the Board of Trustees



Zoe Lattimer, Chair  
16 November 2022

The notes on pages 19 to 28 form part of these financial statements.

Company registration number: 538828

# The Mulberry Bush Organisation Limited

## Statement of Cash Flow

Year ended 31 August 2022

	Note	2022 £	2021 £
<b>Cash flow from operating activities</b>	18	1,182,787	(154, 406)
Interest paid		-	-
<b>Net cash flow from operating activities</b>		<u>1,182,787</u>	<u>(154,406)</u>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(198,455)	(192,677)
Interest received		3,569	2,803
<b>Net cash flow from investing activities</b>		<u>(194,886)</u>	<u>(189,874)</u>
<b>Net cash flow from financing activities</b>		<u>-</u>	<u>-</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		987,901	(344,280)
<b>Cash and cash equivalents at 1 September 2021</b>		5,274,466	5,618,746
<b>Cash and cash equivalents at 31 August 2022</b>		<u>6,262,367</u>	<u>5,274,466</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		4,262,367	3,274,466
Short term deposits		2,000,000	2,000,000
<b>Cash and cash equivalents at 31 August 2022</b>		<u>6,262,367</u>	<u>5,274,466</u>

# **The Mulberry Bush Organisation Limited**

## **Notes to the Financial Statements**

**Year ended 31 August 2022**

### **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 2022**

#### **(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% or 33% on cost
Motor vehicles	25% on the reducing balance method

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

### Year ended 31 August 2022

#### (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

	2022 £	2021 £
Gifts	367,235	239,699
Grants	<u>299,942</u>	<u>416,746</u>
	<u>667,177</u>	<u>656,445</u>

## 3 Income from charitable activities

	2022 £	2021 £
Mulberry Bush School - Practice	5,834,281	5,170,255
Mulberry Bush Learning & Research - Support	<u>281,253</u>	<u>112,922</u>
	<u>6,115,534</u>	<u>5,283,177</u>

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

Year ended 31 August 2022

### 4 Income from investments

	2022 £	2021 £
Interest receivable	3,569	1,802

### 5 Analysis of expenditure on charitable activities

2022	Activities undertaken directly £	Support costs £	Total £
Mulberry Bush School - Practice	4,693,775	1,143,188	5,836,963
Mulberry Bush Learning and Research Centre - Support	395,780	72,176	467,956
Mulberry Bush Third Space - Influence	134,266	65,210	199,476
	<u>5,223,821</u>	<u>1,280,574</u>	<u>6,504,395</u>
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>

### 6 Allocation of support costs

2022	Basis of allocation	Raising funds £	Practice £	Support £	Influence £	Total £
Staff	Actual	-	167,688	-	-	167,688
Premises	Actual	-	220,077	30,140	36,066	286,283
IT support	Per head	-	152,512	15,636	4,679	172,827
Insurance	Per head	-	48,062	4,928	1,475	54,465
Office	Per head	-	92,146	7,335	3,870	103,351
Marketing	Per head	-	38,435	3,941	1,179	43,555
Professional fees	Per head	-	84,952	8,710	2,606	96,268
Other	Per head	-	14,496	1,486	445	16,427
Depreciation	Actual	-	324,820	-	14,890	339,710
Disposals	Actual	-	-	-	-	-
Total		-	<u>1,143,188</u>	<u>72,176</u>	<u>65,210</u>	<u>1,280,574</u>

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

Year ended 31 August 2022

### 6 Allocation of support costs (continued)

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
Public relations	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		-	1,084,108	53,903	57,884	1,195,895

### 7 Governance costs

	Note	2022 £	2021 £
Trustee remuneration	10	-	-
Trustee expenses		1,072	391
Auditor's remuneration (including expenses)	9	8,508	8,100
Auditor's non-audit remuneration		2,856	2,232
		<u>12,436</u>	<u>10,723</u>

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

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

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>339,710</u>	<u>303,234</u>

### 9 Auditor's remuneration

	2022 £	2021 £
Fees payable to the charity's auditor to audit the annual accounts	<u>8,508</u>	<u>8,100</u>
Fees payable to the charity's auditor for other services:		
Audit-related assurance	2,502	984
Other services	354	1,248
	<u>2,856</u>	<u>2,232</u>



# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

### Year ended 31 August 2022

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

The trustees neither received nor waived any remuneration during the year (2021 - Nil).

The total amount of employee benefits received by key management personnel was £290,944 (2021 - £278,608). The Trust considers its key management personnel comprise its trustees and charity leadership team.

The reimbursement of trustees' expenses was as follows:

	2022 Number	2021 Number	2022	2021
Travel	3	1	1,072	391

#### 11 Staff costs and employee benefits

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

	2022 Number	2022 FTE	2021 Number	2021 FTE
Raising funds	3	2.2	3	2.3
Charitable activities:				
Mulberry Bush School	105	97.8	105	102.3
Mulberry Bush Learning & Research	11	10.0	8	7.2
Mulberry Bush Third Space	4	3.0	4	3.8
	123	113.0	120	115.6

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

	2022 £	2021 £
Wages and salaries	4,154,042	3,955,322
Social security	421,236	395,846
Apprenticeship levy	5,494	4,805
Defined contribution pension costs	291,797	268,027
	<u>4,872,569</u>	<u>4,624,000</u>

In addition termination payments of £24,663 were made during the year. None of this was unpaid at the end of the year.

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

	2022 Number	2021 Number
£60,001 - £70,000	4	3
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

### Year ended 31 August 2022

#### 12 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation:				
At 1 September 2021	8,051,195	299,217	125,370	8,475,782
Additions	110,127	61,487	-	171,614
Disposals	-	-	-	-
At 31 August 2022	8,161,322	360,704	125,370	8,647,396
Depreciation:				
At 1 September 2021	1,880,846	164,159	102,988	2,147,993
Charge for the year	270,610	63,504	5,596	339,710
Disposals	-	-	-	-
At 31 August 2022	2,151,456	227,663	108,584	2,487,703
Net book value:				
At 31 August 2022	6,009,866	133,041	16,786	6,159,693
At 31 August 2021	6,170,348	135,059	22,382	6,327,789

#### 13 Debtors

	2022 £	2021 £
Trade debtors	226,494	501,950
Prepayments	47,605	56,020
Other debtors	13,309	33,895
	<u>287,408</u>	<u>591,865</u>

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

	2022 £	2021 £
Operating creditors	116,433	84,799
Creditors in respect of fixed assets	49,128	75,969
Other tax and social security	222,807	107,899
Deferred income	127,296	28,687
Pensions liability	65,443	37,103
Other creditors and accruals	144,313	52,352
	<u>725,420</u>	<u>386,809</u>

	2022 £	2021 £
Deferred income at 1 September 2021	28,687	725
Released from previous years	(28,687)	(725)
Resources deferred in the period	127,296	28,687
Deferred income at 31 August 2022	<u>127,296</u>	<u>28,687</u>

#### 15 Contingent liabilities

There were no contingent liabilities at 31 August 2022 (2021 – Nil).

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

### Year ended 31 August 2022

#### 16 Fund reconciliation

##### Unrestricted funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2022 £
General	7,893,907	6,489,466	6,275,126	3,140,382	11,248,629
Designated:					
Additional resources	57,621	-	10,502	-	47,119
	<u>7,951,528</u>	<u>6,489,466</u>	<u>6,285,628</u>	<u>3,140,382</u>	<u>11,295,748</u>

##### Restricted funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2022 £
Original buildings	2,428,416	-	93,446	(2,334,970)	-
The Burrow	889,148	-	83,736	(805,412)	-
Capital	<u>3,317,564</u>	<u>-</u>	<u>177,182</u>	<u>(3,140,382)</u>	<u>-</u>
Playgrounds	34,362	600	12,976	(9,866)	12,120
Refurbishment	461,720	160,315	20,489	9,866	611,412
Vehicles	7,180	-	2,463	-	4,717
Archive	-	648	900	-	(252)
Archive work (Wellcome)	-	25,993	25,993	-	-
Ball pool	-	1250	1,246	(4)	-
Education	-	3,000	-	4	3,004
Group work	-	10,000	5,000	-	5,000
Library	3,500	-	153	-	3,347
Outreach work	22,457	60,000	43,635	-	38,822
Research work	9,000	35,008	33,878	-	10,130
	<u>3,855,783</u>	<u>296,814</u>	<u>323,915</u>	<u>-</u>	<u>688,300</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 has been 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. Now that the restriction has been satisfied by the completion of the buildings the balance has been transferred to unrestricted.
- The Playgrounds fund is available to contribute to the cost of playgrounds improvement. There was a balance left which will be used on the refurbishment of the residential houses.

# The Mulberry Bush Organisation Limited

## Notes to the Financial Statements

### Year ended 31 August 2022

#### Fund descriptions (continued)

- 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 Vehicles fund is used for the purchase vehicles and the related depreciation is charged to the fund each year.
- The Archive fund comes from a grant for conservation work which is payable in two stages and we have spent in advance of receiving the second stage.
- The Archive work fund (Wellcome) comes from a grant to enable work on the Harold Bridger archive.
- The Library fund has money which was given for a library for the children at the School.
- The Outreach work fund funds some work with several primary schools who have a significant proportion of pupils with SEMH difficulties.
- The Research work fund contributes to the cost of employing a research assistant.

#### 17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	5,990,775	-	168,918	6,159,693
Cash at bank and in hand	5,646,738	47,119	568,510	6,262,367
Other net current assets	(388,884)	-	(49,128)	(438,012)
Total	11,248,629	47,119	688,300	11,984,048

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

	2022 £	2021 £
Net income for the year	176,737	(261,785)
Interest receivable	(3,569)	(1,802)
Depreciation of tangible fixed assets	339,710	303,234
Decrease/(increase) in debtors	304,457	(267,879)
Increase/(decrease) in creditors	365,452	73,830
Net cash flow from operating activities	1,182,787	(154,406)

#### 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 £291,797 (2021 - £268,027).

#### 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 2023. £23,040 was paid during the year; £23,040 is payable within one year; and £34,610 is payable in 1-5 years.

# **The Mulberry Bush Organisation Limited**

## **Notes to the Financial Statements**

**Year ended 31 August 2022**

### **21 Related party transactions**

There were donations from trustees totalling £11,804 (2021 £730).

Travelling expenses totalling £1,072 were paid to three trustees (2021 - £391 to one trustee).

Remuneration for all staff is managed via an annual Salary Review, and overseen by the Finance and General Purposes Trustee sub-committee. This includes one member of staff who is the wife of the Chief Executive Officer.