


THE MULBERRY BUSH ORGANISATION LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012

REGISTERED COMPANY NO 538828

REGISTERED CHARITY NO 309565

COMPANIES HOUSE

TL SATURDAY



A2A35XCW

A34	08/06/2013	#117
COMPANIES HOUSE		
A28VJLYL		
A26	21/05/2013	#86
COMPANIES HOUSE		

THE MULBERRY BUSH ORGANISATION LIMITED

CONTENTS

FOR THE YEAR ENDED 31 AUGUST 2012

	Page
Report of the Trustees	1 to 5
Auditors' Report	6
Statement of Financial Activities	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Accounts	10 to 15

THE MULBERRY BUSH ORGANISATION LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2012

The trustees present their report and audited financial statements for the year ended 31 August 2012 which have been prepared in compliance with the requirements of the Companies Act 2006, the Trust Deed and applicable charity law

Administrative Information:

Charity Name	The Mulberry Bush Organisation Limited
Charity Registration Number	309565
Company Registration Number	538828
Registered Office	Standlake Witney Oxon OX29 7RW

The trustees during the year ended 31 August 2012 were

EDWARDS, Tim*	Company Director	Chair
ATKINSON, Lady Judith	Social Work Unit Manager (retired)	Chair, Education & Treatment Committee
BIDDLESTONE, Diana*	Educational Psychologist	
CRAGGS, Dennis	Chartered Accountant	Hon Treasurer Chair, Finance Committee
FORREST, Dr Gillian*	Child Psychiatrist (retired)	
GOODWIN, Nicholas	Barrister	
HOWARD, Dr Ursula OBE	Academic	Vice Chair
ROGERS, Mrs Eva*	Horticulturalist	
WARRINER, Mrs Christine	Social Worker	

*to stand for re-election at the forthcoming Annual General Meeting

No other person acted as a trustee during the period

John Diamond and John Turberville also attended trustees' meetings in their capacities of senior members of staff

Auditors	Critchleys LLP Chartered Accountants Avalon House Marcham Road Abingdon Oxon OX14 1UD
Bankers	National Westminster Bank Plc 21 High Street Witney Oxon
Solicitors	Herbert Mallam Gowers 126 High Street Oxford

THE MULBERRY BUSH ORGANISATION LIMITED

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2012

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 (other than those nominated by the staff) 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.

On 3 October 2008 the company changed its name to "The Mulberry Bush Organisation Limited."

Organisational Structure

The management of the organisation is supervised by a Board of Trustees that meets regularly and is 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 fund raising and publicity and the setting of annual fees and budget. The Board also operates Education and Treatment, Finance and General Purposes and such other sub-committees as may be decided from time to time.

The Board of Trustees comprises elected members of the company or the staff of the organisation.

The Trustees are also the directors of the company for the purpose of company law.

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 planning of new services, and the development of relationships with local authorities and other bodies.

The main activity of the organisation is the operation of a school at Standlake, Oxfordshire. The day to day management of the school is delegated to the school's Director and a Conducting Management Group ("CMG") comprising the senior managers of the various functions.

OBJECTIVES AND ACTIVITIES

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.

The organisation operates a school at Standlake, Oxfordshire, which is registered to provide residential care, education, treatment and therapy for up to 40 children aged 5 to 13 who, due to early emotional deprivation, abuse and neglect, have severe emotional and behavioural difficulties. As a result of their experiences, they are left mistrustful, impulsive, aggressive, inappropriately 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. Referrals are generally supported for a period of three years for 38 weeks a year, with either full boarding or on either a day or weekly placement basis. All fees are paid by the local authority.

THE MULBERRY BUSH ORGANISATION LIMITED

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2012

OBJECTIVES AND ACTIVITIES (continued)

The school is undertaking an ongoing project in order to improve its understanding of outcomes for children at the school. However, the following key outcomes have been determined from existing data:

- 93% of children who on entering the school were unable to be placed long term with a family were able to do so by the time they left the school
- 100% of children were able to be placed in a suitable school on departure, being able to learn and be taught

In November 2012, the overall effectiveness of Mulberry Bush School was rated outstanding by an Education Ofsted inspection. The inspection report made the following observations: "The quality of teaching is outstanding. Teachers and other staff work exceptionally well together to give pupils excellent opportunities for success. The school is an outstandingly safe environment within which pupils learn and thrive supported by the care, patience and encouragement of the staff. Pupils' behaviour is outstanding and the school successfully develops their confidence and self-esteem with highly effective personalised support."

Also in November 2012 the Mulberry Bush Training was awarded the prestigious National Training Award for a medium sized employer at the World Skills Show held at the Birmingham NEC. This award was in recognition of the development and delivery of our Foundation Degree in 'Therapeutic Work with Children and Young People' in collaboration with the University of the West of England. This is the second National Training Award that our Training department has won in five years, and reflects our commitment to staff development in order to improve the lives and outcomes for traumatised children who are referred to the school for specialist residential care treatment and education.

Each year, the Board of Trustees reviews with the CMG a rolling strategic plan that looks at the vision and objectives of the school over a one, three and ten year timescale. The objectives of the plan include:

- 1 To maximise the number of children referred to the School for specialist 38 week care, treatment and education
- 2 To explore the establishment of a Mulberry Bush service at another site
- 3 To increase the numbers of children who access Mulberry Bush outreach services

FINANCIAL REVIEW

Occupancy levels declined marginally during the financial year from an average of 30 in 2011 to an average of 29 in 2012 (27, 30 and 28 by term compared to 29, 30 and 32 in 2010/11). However, as the impact of higher fees introduced in earlier years for new intake has worked through (In August 2012, 17 children were on the new fee level), General Fund income in respect of the provision of education and child care services increased marginally by 1.1% from £4,381,287 to £4,430,874.

As a result of the impact of cost savings implemented in 2011, the General Fund resources expended on charitable activities reduced by 11.5% from £4,022,522 to £3,560,855. Accordingly the surplus in general funds improved from £361,975 in 2011 to £896,389 in 2012.

The Trustees approved transfers from the surplus as follows:

- (i) £750,000 to the designated reserve fund in order to assist in managing the financial impact of potential fluctuations in occupancy, thus increasing the reserve to £1.5 million, representing 5 months running expenses. The Trustees are mindful of the considerable pressure on local authority funding as a consequence of cuts in Government spending, and
- (ii) £100,000 to a reserve for refurbishment and repair of school buildings.

Income from grants, donations and fund raising events for restricted and designated funds was £207,611 (2011: £131,824) to support a number of projects as set out in detail in note 13 to the financial statements to improve and redevelop the school and to support its work.

The total cash and bank balances as at 31 August 2012 were £3,122,826 (2011: £2,103,504) of which £250,357 is held to meet other current liabilities.

RISK MANAGEMENT

The Trustees have conducted a review of the major risks to which the school is exposed and maintains up to date a register of such risks and how they are managed.

The Trustees have identified the principal risks as the financial dependence of the school on intermittent referrals of children by a small number of Local Authorities, the operational safety and welfare of children at the school and the recruitment of staff appropriate to the care of such vulnerable children.

THE MULBERRY BUSH ORGANISATION LIMITED

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2012

In managing these risks, the school has developed a rigorous and well documented standard of operational procedures and is assisted by the conduct of periodic visits by the Office for Standards in Education (OFSTED). Recruitment is in accordance with the requirements of National Minimum Standards under the Care Standards Act 2000 and protocols are also reviewed by OFSTED.

The school is committed to supporting the safety and welfare of all children through active engagement with the current safeguarding agenda and its safeguarding procedures were rated as 'outstanding' by OFSTED in February 2011. The school enacts its commitment to the safeguarding agenda by

- (i) rigorous staff recruitment and vetting procedures. All senior staff have undertaken safer recruitment training,
- (ii) ensuring the safeguarding agenda is embedded in our policies and in direct work with children,
- (iii) the close supervision and management of children 24 hours a day,
- (iv) encouraging independent advocacy for children, regular visits from 'Voice' advocates, and equipping each household with a direct 'childline' telephone,
- (v) ensuring all staff have regular supervision, consultation and training including safeguarding training to Oxfordshire Safeguarding Children's Board standard,
- (vi) maintaining an excellent working relationship with the Oxfordshire Schools Safeguarding Team, and the Local Authority Designated Officer, and
- (vii) maintaining an excellent reputation for working closely with parents, carers and referring authorities over safeguarding issues

RESERVES AND INVESTMENT POLICY

In order to manage the risk of fluctuations in occupancy levels, also having regard to the fact that the school has substantial unencumbered assets, the Trustees aim to maintain an unrestricted designated reserve equivalent to three months running costs. The Trustees agree to make additions to the reserve as funds become available, either from donated funds or from surplus in general funds.

In addition to amounts held in reserve, the school receives fees in advance and funds donated for future projects and therefore from time to time holds funds in hand. The school invests such funds in interest bearing charity bonds with varying maturities having regard to the cash flow requirements of the school.

The Trustees also aim to retain surplus general funds in order to further the objectives of the charity, in particular to fund the possible new services contemplated above. The Trustees are however also mindful of the need in the current economic climate to preserve resources additional to the above reserves in order to manage unanticipated risks to the level of referrals.

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in s4 Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission.

RESPONSIBILITIES OF THE TRUSTEES

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) make judgements and estimates that are reasonable and prudent,
- (iii) state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- (iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

THE MULBERRY BUSH ORGANISATION LIMITED

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2012

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. The 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.

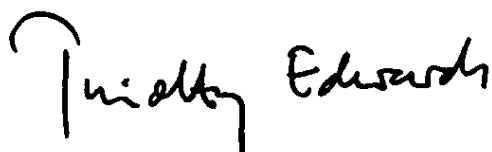
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information. The trustees confirm that there is no relevant information that they know of and which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

AUDITORS

Critchleys LLP, Chartered Accountants, have indicated their willingness to remain as auditors to the company and offer themselves for re-appointment at the Annual General Meeting at a fee to be agreed with the trustees.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Approved by the Board of Trustees on 11.5.2013 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'T. Edwards'.

T EDWARDS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE MULBERRY BUSH ORGANISATION LIMITED

We have audited the financial statements of Mulberry Bush Organisation Limited for the year ended 31 August 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 its members as a body for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors (who are also trustees 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

17/5/2013

Greyfriars Court
Oxford
OX1 1BE



Robert Kirtland (Senior Statutory Auditor)
for and on behalf of Critchleys LLP
Statutory Auditor

THE MULBERRY BUSH ORGANISATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

FOR THE YEAR ENDED 31 AUGUST 2012

	Note	Unrestricted Funds General Fund £	Designated Funds See note 13 £	Restricted Funds See note 13 £	Total Funds 2012 £	Total Funds 2011 £
INCOME AND EXPENDITURE						
Incoming Resources						
Incoming resources from generated funds						
Voluntary income						
Development grants, donations and fund raising events		7,500	134,397	65,714	207,611	131,824
Activities for generating funds						
Investment income		30,378	4	-	30,382	10,376
Incoming resources from charitable activities						
Income in respect of education and child care		4,430,874	-	10,160	4,441,034	4,396,326
Total Incoming Resources		<u>4,468,752</u>	<u>134,401</u>	<u>75,874</u>	<u>4,679,027</u>	<u>4,538,526</u>
Resources Expended						
Cost of generating funds						
Costs of generating voluntary income	3	-	9,682	-	9,682	9,612
Charitable activities	4	3,560,855	119,507	181,903	3,862,265	4,256,937
Governance costs						
Statutory costs	5	11,508	-	-	11,508	7,166
Total Resources Expended		<u>3,572,363</u>	<u>129,189</u>	<u>181,903</u>	<u>3,883,455</u>	<u>4,273,715</u>
Net Income/(Expenditure) for the year before transfers						
		896,389	5,212	(106,029)	795,572	264,811
Transfers (to)/from reserves	13	(883,388)	858,524	24,864	-	-
Net Movement in funds		<u>13,001</u>	<u>863,736</u>	<u>(81,165)</u>	<u>795,572</u>	<u>264,811</u>
Reconciliation of funds						
Total funds brought forward		1,372,645	931,892	3,387,895	5,692,432	5,427,621
Total funds carried forward	14	<u>1,385,646</u>	<u>1,795,628</u>	<u>3,306,730</u>	<u>6,488,004</u>	<u>5,692,432</u>

The Statement of Financial Activities includes all gains and losses in the year from continuing activities. All incoming resources and resources expended derive from continuing activities.

THE MULBERRY BUSH ORGANISATION LIMITED

BALANCE SHEET

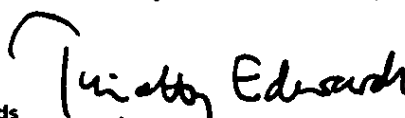
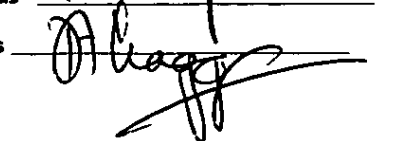
AT 31 AUGUST 2012

	Note	2012	2011
		£	£
Fixed Assets			
Tangible assets	9	3,560,068	3,648,198
Current Assets			
Debtors and prepayments	10	55,467	164,423
Cash at bank and in hand		3,122,826	2,103,504
		<u>3,178,293</u>	<u>2,267,927</u>
Creditors - Amounts falling due within one year			
Creditors	11	250,357	223,693
Income in advance	12	-	-
		<u>(250,357)</u>	<u>(223,693)</u>
Net Current Assets		<u>2,927,936</u>	<u>2,044,234</u>
Total Net Assets		<u>6,488,004</u>	<u>5,692,432</u>
Unrestricted Funds			
Designated funds	13	1,795,628	931,892
General funds		1,385,646	1,372,645
		<u>3,181,274</u>	<u>2,304,537</u>
Restricted Funds	13	<u>3,306,730</u>	<u>3,387,895</u>
Total Funds	14	<u>6,488,004</u>	<u>5,692,432</u>

Approved and authorised for issue by the Trustees on 11/5/13 and signed on its behalf by:

T Edwards

D Craggs

Chair

Hon Treasurer

THE MULBERRY BUSH ORGANISATION LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2012

	General Fund £	Designated Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Net incoming/(outgoing) resources (page 7)	896,389	5,212	(106,029)	795,572	264,811
Adjustments required to derive net cashflow from operating activities					
Depreciation and loss on disposal	442	-	110,688	111,130	67,650
Decrease in net current assets (excluding cash)	102,765	19,107	13,748	135,620	33,022
Net cashflow from operating activities	999,596	24,319	18,407	1,042,322	365,483
Investing Activities					
Purchase of tangible fixed assets	-	-	(23,000)	(23,000)	(14,500)
Sale proceeds of fixed assets	-	-	-	-	1,000
Increase/(decrease) in cash at bank and in hand	999,596	24,319	(4,593)	1,019,322	351,983
Cash at bank and in hand:					
At 1 September 2011	1,238,550	792,338	72,616	2,103,504	1,751,521
At 31 August 2012	2,238,146	816,657	68,023	3,122,826	2,103,504

THE MULBERRY BUSH ORGANISATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2012

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Income either restricted or designated for use for special purposes is accounted for through separate funds (see note 13).

(c) Incoming resources

The following specific policies are applied to particular categories of income:

- Development grants and donations are accounted for when received.
- Investment income is included when receivable.
- Income for education, child care and related services is accounted for on an accruals basis, according to the period to which the service relates. Accordingly, income received before the year end but relating to the next financial year is carried forward on the balance sheet as 'Income in Advance'. Grants from the Department for Children, Schools and Families towards costs of charitable activities are accounted for when there is evidence of entitlement and the amount can be measured.

(d) Resources expended

All expenditure is recorded on an accruals basis and is recognised where there is a legal or constructive obligation to pay expenditure.

Expenditure is inclusive of irrecoverable VAT and has been classified as follows:

- Costs of voluntary income comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- Support costs are all allocated to the one charitable activity of the company.

(e) Fixed Assets

All expenditure on the recent building development has been capitalised and is now being written off over a period of forty years, from 1 September 2002. Up until 31 August 2011 the period of write-off was sixty years. Additional depreciation charged this year to reflect the new write-off period is £40,092. It is considered that the cost of the original freehold land and buildings remaining may be deemed to be the land element. The trustees have decided not to depreciate furniture and equipment. These items are constantly replaced and maintained as required for the conduct of the school's activities and any further replacements, refurbishments and routine additions are charged to revenue. Consequently an additional depreciation charge is considered unnecessary. Therefore, although the Companies Act requires a charge for depreciation to be made on all fixed assets having a finite life, the trustees consider that this policy shows a true and fair view.

(f) Pension Costs

Non-teaching staff contribute to independently administered personal pension schemes. The pension cost charge represents contributions by the company to these schemes, which are recognised when they become payable. The assets of the scheme are held separately from those of the company.

Teaching staff contribute to the Department of Education pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company.

THE MULBERRY BUSH ORGANISATION LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2012

1. Accounting Policies (continued)

(g) Leased Assets

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred

2. Net Incoming Resources

This is stated after charging

	2012 £	2011 £
Depreciation	111,130	67,650
Auditors' remuneration	6,840	7,166
Auditors' non-audit remuneration	4,668	1,625

3. Cost of Generating Voluntary Income

Education and Child Care

	2012 Total £	2011 Total £
Fundraising	9,682	9,612
Support costs (note 6)	-	-
	<u>9,682</u>	<u>9,612</u>

4. Charitable Activities

Education and Child Care

	2012 Total £	2011 Total £
Furniture, fittings and equipment	17,300	21,956
Food	70,690	64,856
Staff costs	2,683,523	3,084,042
Gap students	32,855	25,723
Staff training	26,096	25,306
Boarding costs	18,276	18,533
Education costs	18,735	15,760
Other costs	139,037	197,560
Support costs (note 6)	855,753	803,201
	<u>3,862,265</u>	<u>4,256,937</u>

5. Governance Costs

	2012 Total £	2011 Total £
Auditors' remuneration	6,840	7,166
Auditors' non-audit remuneration	4,668	-
	<u>11,508</u>	<u>7,166</u>

THE MULBERRY BUSH ORGANISATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2012

6. Support costs	2012 Total £	2011 Total £
Premises costs	350,985	214,941
Office costs	35,179	45,634
Staff costs	252,044	364,473
IT support	31,031	30,908
Insurance	36,565	40,464
Travelling	34,593	28,850
Depreciation	111,130	67,650
Loss on sale of vehicle	-	1,567
Other costs	4,226	8,714
	<u>855,753</u>	<u>803,201</u>

Allocated to:

Costs of generating voluntary income	-	-
Charitable activities	855,753	803,201
	<u>855,753</u>	<u>803,201</u>

7. Staff Costs and Numbers	2012 £	2011 £
Staff costs were as follows		
Salaries and wages	2,568,570	3,019,987
Social Security costs	241,209	287,164
Pension costs – Non-teaching staff	104,351	101,943
Teaching staff	26,735	39,421
	<u>2,940,865</u>	<u>3,448,515</u>
Total	2,940,865	3,448,515

Included in salaries and wages is an amount of £108,751 (2011 £37,980) paid to agency workers required as a result of maternity cover

Three employees' emoluments were in excess of £60,000 for the year (2011 3) The pension costs were £21,996 (2011 £18,900) (defined contribution scheme)

The average number of employees during the year was as follows

	2012 No	2011 No
Teaching and residential care	71	81
Domestic	12	18
Administration	6	7
	<u>89</u>	<u>106</u>

THE MULBERRY BUSH ORGANISATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2012

8. Trustee Remuneration and Related Party Transactions

During the year £327 (2011 £255) was reimbursed to one trustee (2011 two) in respect of travel and other incidental expenses. No trustee received any remuneration. One trustee received fees of £5,839 in respect of professional services provided on behalf of the school.

Otherwise no trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2011 nil).

9. Tangible Fixed Assets

	Freehold Land and Buildings		Furniture and Equipment		Motor Vehicles	Total
	New Development	Original	New Development	Original	£	£
	£	£	£	£		
Cost						
At 1 September 2011	3,506,560	231,273	354,565	30,741	71,511	4,194,650
Additions in year	-	-	-	-	23,000	23,000
Disposals	-	-	-	-	-	-
At 31 August 2012	3,506,560	231,273	354,565	30,741	94,511	4,217,650
Depreciation						
At 1 September 2011	503,282	-	-	-	43,170	546,452
Charge for the year	98,295	-	-	-	12,835	111,130
Disposals	-	-	-	-	-	-
At 31 August 2012	601,577	-	-	-	56,005	657,582
Net Book Value:						
At 31 August 2012	2,904,983	231,273	354,565	30,741	38,506	3,560,068
At 31 August 2011	3,003,278	231,273	354,565	30,741	28,341	3,648,198

Depreciation on fixed assets is provided as follows

Land and Buildings	New development depreciated over 40 years (note 1e)
Furniture and Equipment	No depreciation is provided (note 1e)
Motor Vehicles	25% on reducing balance

The trustees are not able to comment as to whether the market value of land and buildings differs significantly from book value as a formal valuation has not been obtained and is not considered necessary given the specialised use.

THE MULBERRY BUSH ORGANISATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2012

10 Debtors and Prepayments	2012	2011
	£	£
Amounts due in respect of fees outstanding	6,497	99,674
Prepayments	10,167	29,618
Other debtors	38,803	35,131
	<hr/>	<hr/>
	55,467	164,423
	<hr/>	<hr/>
11. Creditors – Amounts falling due within one year	2012	2011
	£	£
Operating creditors	158,934	126,892
Other taxes and social security	67,808	79,179
Other creditors	1,345	750
Accruals	6,000	6,300
Pension contributions	16,270	10,572
	<hr/>	<hr/>
	250,357	223,693
	<hr/>	<hr/>
12 Income in Advance	2012	2011
	£	£
Opening balance	-	94,645
Realised in year	-	(94,645)
Deferred in year	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

13 Restricted and Designated Funds

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal

The Capital Fund is credited with grants and donations received for major redevelopment and improvements to the organisation's infrastructure and to further its charitable objectives

The Kidani Foundation's donation pays for the costs of the outcomes research

The Go Play donation was to fund the purchase of an all weather pitch

The purpose of the St Michael and All Saints donation is to help towards the costs of a speech and language therapist

The Doris Field donation was to fund the cost of installing a fire alarm in and improvements to the school's cottages

The DFE capital grant is a grant towards the cost of the school's capital equipment

Designated funds are unrestricted funds earmarked by the trustees for particular purposes

The Designated Reserve Fund is credited with transfers from General Fund in accordance with the school's reserve policy, in order to assist in managing the financial impact of potential fluctuations in occupancy as more fully described in the Report of the Trustees. Transfers are also made to contribute towards costs of maintenance and repairs and other designated projects

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions

THE MULBERRY BUSH ORGANISATION LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2012

Analysis of restricted and designated funds

	Balance 01.09.11 £	Incoming resources £	Resources expended £	Transfers £	Balance 31.08.12 £
Restricted Funds					
Capital fund	3,384,413	-	(110,688)	23,000	3,296,725
Kidani research fund	-	15,000	(16,864)	1,864	-
Go Play	-	38,214	(38,214)	-	-
St Michael and All Saints fund	2,505	7,500	-	-	10,005
Doris Field fund	977	5,000	(5,977)	-	-
DFE capital grants	-	10,160	(10,160)	-	-
	3,387,895	75,874	(181,903)	24,864	3,306,730

Designated funds

Reserve fund	750,000	-	-	750,000	1,500,000
Maintenance and repairs fund	-	-	-	100,000	100,000
Mbox fund	150,000	38,044	(32,825)	(50,000)	105,219
Training fund	-	-	-	50,000	50,000
Success fund	-	26,260	(6,815)	-	19,445
Outward bound fund	4,000	11,500	(12,188)	-	3,312
Opera fund	5,908	14,610	(2,866)	-	17,652
Other designated projects	21,984	43,987	(74,495)	8,524	-
	931,892	134,401	(129,189)	858,524	1,795,628

14 Analysis of Net Assets between Funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible assets	263,343	-	3,296,725	3,560,068
Current assets	1,372,660	1,795,628	10,005	3,178,293
Current liabilities	(250,357)	-	-	(250,357)
Net assets at 31 August 2012	1,385,646	1,795,628	3,306,730	6,488,004