

Charity registration number 1002700

Company registration number 02599511 (England and Wales)

VRANCH HOUSE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

VRANCH HOUSE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs J Tolman-May Mr A J Griffin Mrs R Neary Miss P Hale Mrs R Pavitt Dr R Tomlinson Mrs S Tutinas
Secretary	Mrs K Moss
Charity number	1002700
Company number	02599511
Registered office	Vranch House Pinhoe Road Exeter Devon EX4 8AD
Auditor	Simpkins Edwards Audit LLP The Summit Woodwater Park Pynes Hill Exeter EX2 5WS
Bankers	Natwest Exeter Branch 59 High Street Exeter Devon EX4 3DL
Solicitors	Foot Anstey Solicitors Senate Court Southernhay Gardens Exeter EX1 1NT

VRANCH HOUSE LIMITED

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VRANCH HOUSE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the society's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Objectives and Aims

The charity's objects and principal activities continue to be those of:

1. Promoting and providing facilities for the care, education, training, treatment and welfare, in their respective aspects, of children and young people with physical difficulties.
2. Advising, helping or catering for the needs of the parents or others having the care of children and people with physical difficulties.

The core activities arising from these aims are the education of children with physical difficulties from the age of 2 to 19 at Vbranch House School and the provision of paediatric therapies and clinical treatment to children as outpatients at locations throughout Devon. The charity has also developed Opportunity Technology, a not-for-profit service which designs, installs and maintains assisted mobility tracks and robotic vehicles throughout England and Wales.

Achievement and performance

In order to direct the activities of the charity in such a way that Public Benefit can be identified clearly, the Trustees have set out the following Aims and Strategies:

School Aim: The school is to be organised, equipped, staffed, managed and operated to the highest national standards.

- **Strategy to Achieve Aim:** The Governors will monitor the established Continuous Improvement Programme and the School Audit Cycle with the intention of maintaining the high OFSTED gradings of "outstanding" as achieved in 2018 and 2022. We have also had additional inspections due to inclusion in a EIF Pilot and a material change inspection with excellent results.

Clinic Aim: The charity's clinical activities are to be organised, equipped, staffed, managed and operated to the highest national standards.

- **Strategy to Achieve Aim:** The Trustees will monitor clinical operations with the intention of maintaining a prompt and efficient service with excellent standards of care. To do this, the Trustees will use tools such as reports and standards set by the National Service Framework, NICE guidance and quality audits conducted in alliance with our statutory partners.

Financial Performance Aim: The charity's financial affairs are to be conducted to the highest levels of public probity and according to the policies and procedures established for service and capital development consistent with the need to demonstrate Public Benefit.

- **Strategy to Achieve Aim:** The Trustees will consider financial performance indicators, other financial records and risk assessments at all their meetings, to ensure that all our financial processes meet the requirements of both the Charity Commission and Companies House. The Trustees will look at the record of expenditure to ensure that public monies are used exclusively for the Public Benefit.

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

VRANCH HOUSE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

Public Benefit

The Trustees are pleased to note that the record of operations for the year under review complied with the aims and strategies set out by the Board and have met expectations. The school has been consistently full over the year. The school staffing team has been maintained ensuring a high standard of care for all pupils. We also increased the equipment available to ensure all children's therapeutic and health needs are being met.

The complexity of health needs means that we must continually appraise the level of staffing across all disciplines, and we are lucky to be able to recruit new staff to the team to make growth possible without diluting our high standard of care in the delivery of healthcare and education. We have continued to meet pupils' Education and Health Care Plan requirements.

We continued to upgrade facilities via the addition of a path to enable access to more of the garden and a shelter for staff to enjoy the outdoor space, in all weathers, when they are having well earned breaks. The staff room has also been updated for the first time in over 20 years. We now have a beautiful space that is work free for all staff to access and a space to host parents coffee mornings. In this financial year we further invested in the professional development of our staffing body, with staff accessing courses such as the HLTA (Higher Level Teaching Assistant) course, gait and hypertonics clinical courses towards teaching qualifications,

Engagement with the range of outpatient services across the whole of the service area continued to be positive. Hippotherapy is now well established as a treatment technique alongside hydrotherapy and individualised exercise programmes. We maintained a high level of support to main-stream schools through direct clinical interventions and training programmes such as the Fun Fit and High Five training programmes, which train school staff to recognise and use intervention techniques for gross and fine motor developmental coordination disorder. Whilst keeping the price as low as possible the Fun Fit and High Five programmes also contribute to the charity's income.

Mean waiting times for the year across all our therapy services were 20 weeks against a national target of 18 weeks. This is again an increase on our usually low waiting times. The longer mean waiting time was primarily due to staffing levels and the hard task of recruiting into health positions post covid.

The therapy service has maintained its high quality. We have an excellent record of high satisfaction of patients accessing our services and this is supported by the policy to allow and encourage families to speak directly to the Chief Executive, Head of Therapies and Head of Education, if they wish. The thorough training of staff in how to interact with and support patients and their families also aids patient satisfaction and engagement with the service. During this year we have had no formal complaints.

The Charity has continued to work hard to strengthen links with the local community, and to use social media and community events such as fêtes to further promote the good work of the Charity within the community. A wide staff team all support the teacher with fundraising responsibility, promoting events, attending fundraising events such as quiz nights and fêtes and even hosting our own new initiatives such as a Christmas wreath making course.

This year has seen the new Children's sensory path school experience working on physical and paly targets such as bike riding or walking longer distances. The staff experience has been improved by new staffroom facilities providing a relaxing place for them.

Good long term financial planning has meant we have been able to absorb the significant rise in costs for the charity this year, such as for heating and other running costs.

VRANCH HOUSE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Financial review

Financial position

The statement of Financial Activities shows total income for the year ending 31 March 2024 of £3,638,755 (2023: £3,296,298), an increase of £342,457 (2023: £309,123) partially due to increased fundraising and securing an increase in NHS contract inflation for the cost of clinical services and DCC for education placements. The Society's net current assets stand at £4,470,231 (2023: £3,692,592); this increase of £777,639 (2023: £777,101) is the result of the corresponding increase in income in relation to expenditure. The Society has net assets amounting to £9,442,928 (2023: £8,704,497) - an increase mainly generated by higher capital spend but a reduction in spending on other large projects.

The net income and net movement in funds for the year is £738,431 (2023: £720,480). Adding back depreciation of £200,208 (2023: £196,163) (a non-momentary expense) and the movement in working capital to this net income, the Society made a cash surplus in the year of £815,759 (2023: £959,943). This is a decrease from 2023 due to the increase in expenditure for staff costs and operating costs during 2024.

The total income from charitable activities of £3,429,374 (2023: £3,214,939) includes the contract income from the contracts for clinical and educational services. The total income from donations, grants and legacies is £105,051 (2023: £41,187).

Reserves & Going Concern

The Trustees have established a liquid reserves practice so that it is consonant with the revenue interests of a service charity. The forecast level of funding is such that an operating surplus is expected for the current year and the maintained reserve is such to provide a cushion in the event that either of the largest sources of income is threatened.

The Trustees are unanimous in the opinion that the Charity remains a going concern.

Investment policy

The Memorandum and Articles provide the Trustees with the power to make investments as they choose but consonant with current Charity Commission advice. The charity's cash assets are invested in a Business Reserve account, but we will consider utilising opportunities for low-risk investment when interest rates allow. This year, we have moved reserves into different bank accounts, allowing low risk investment. This year, we received income from bank interest of £76,882 compared with £14,905 in 2023.

Income & Service Risks

Notwithstanding the strategies for maintaining Public Benefit (q.v. Public Benefit Aims & Strategies above) the Trustees, having reviewed the strategic objectives of the charity in the light of possible obstructions to achieving them, have determined that;

1. **Income Growth:** We have defined a Core Offer for the school which reflects the Special Education Needs and Disabilities (SEND) process, allows for use of the Devon Framework and enables Educational, Health and Care Plans (EHCPs). Both income from the health contract and the education contract have had an increase in line with the increase of the national minimum wage but our expenses have also increased.
2. **Income Security:** The separate contracts are non-competitive because of the high amount of public benefit developed by it. The contract has a 25-year life (until 2036). The charity contribution includes the capital charges and revenue it waives, principally for the use of capital facilities which the charity owns, and the running costs of these facilities. Strong negotiations with the NHS will need to continue as significant running costs are being incurred by the charity.
3. **Quality Standards:** The Chief Executive is tasked with maintaining a continuous cycle of Risk Assessment reviews, assisted and advised by the Heads of Department (the Head of Therapies and the Head of Education). Principal amongst these are those relating to Safeguarding, Health & Safety and Financial Probity. The on-going review and development of these risk assessments and the policies and procedures that flow from them is of the highest priority as essential elements of the charity's strategic interest.

VRANCH HOUSE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

The Service Led Agreement with Devon County Council (DCC) and the ICB Health Board (formally known as the CCG) has operated since the 1st of April 2011. The Agreement set a target for charitable investments in these statutory services to be 30% of the total cost. Our core education offer provides significant value for money for the local authority. The core offer is in line with the Charity's aim and ensuring that the local authority continue to commission the service and strengthening the Charity's position as a provider for SEN education in Devon.

The capacity for school pupil numbers is set at 55, which is the maximum number that we currently have DCC/DFE/Ofsted approval for. We are able, with agreement from DCC, to go over this number by 10% if DCC have need for the places. We currently have 59 pupils on role.

The charity continues to establish benchmarks in clinical and educational practice to accomplish its goal of not just meeting but exceeding service delivery standards. Workforce development underpins the ethos at Vranth House driving excellent provision and improving retention of staff. The continuous professional development of our clinical services and education provision is ongoing. With continued online training courses being available (started during the Covid-19 restrictions), Vranth House has been able to provide more professional development for staff which may not have previously been available to them, including specialist training courses for clinical staff that have taken place abroad.

Face to face training is now back to pre-Covid levels and we have been able to support staff with courses, mileage and accommodation, when required.

The Trustees have established a conservative policy for future capital spend, and for the development of all the charity services. Whilst our statutory partners are actively engaged in establishing new ways of delivering services, in which this charity will play a significant part, there will be a continuation of the need to adopt new methods of working to sustain current activity levels, at similar cost. Our community presence is building. We have had a significant increase in social media activity, increasing fundraising to allow us to take on projects such as improvements to the sensory garden and purchasing equipment for the children.

Whilst the Charity aims to keep a reserve in place to maintain a full year's running costs (an amount that increases each year, and includes all staff and facilities costs). We review our financial policies and business planning regularly.

The Charity has a strong business plan, looking forwards at possible ways to develop the Charity. All possible developments are scrutinised and analysed at Trustee level before any commitment is made.

Structure, governance and management

Governing document

The organisation is a company limited by guarantee (registered number 02599511), incorporated on 9 April 1991, and an independent charity registered with the Charity Commission on 15 May 1991 (registered number 1002700). It is governed by its Memorandum and Articles of Association and the Instrument of Management. Any person over the age of 18 can become a member of the charity on payment of an annual fee of £2 (for those not in work) or £5 (for those in employment). There are currently 50 (2023: 49) members, each of whom are liable to the extent of their membership fee in the event of the company being wound up. All the members have the right to vote at General Meetings.

VRANCH HOUSE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs J Tolman-May

Mr A J Griffin

Mrs R Neary

Miss P Hale

Mrs R Pavitt

Miss S Williams

(Resigned 9 April 2023)

Dr R Tomlinson

Mrs S Tutinas

Appointment of trustees

The number of trustees can be set at any General Meeting but has rarely varied from a mean of 12 between the minimum of 8 and maximum of 16 stated in the Governing Document. The membership are free to nominate trustees and these nominations are ratified at the Annual General Meeting. The senior officers (Chairman and Vice Chairman) are elected every year and the Chief Executive acts as Company Secretary. Employees of the charity may be members of the charity and three senior employees are ex officio members of the Board of Trustees but no employee is entitled to vote at any meeting of the Trustees. The Executive Committee of the charity is known as the Board of the Society and the Board may co-opt any member of the charity to fill a specialist role.

Induction and training of new trustees

New Trustees follow an induction process involving a full briefing on their obligations under charity and company law, the structure of the charity and its operational procedures as set out in the Memorandum and Articles of Association and of those changes in statute which bear directly on the work of the charity (principally legislation in the areas of Education and Health). A briefing document has been prepared ready to work alongside a more formal induction and training process. Trustees are usually appointed because of specialist skills but the charity will meet any identified need for specialist training. Recruitment for new trustees has been agreed by the current board and skill set gaps have been identified and are being specifically recruited for.

Remuneration policy

The Trustees serve as volunteers and eschew reward and expenses.

The practice established by the Trustees for setting and reviewing the pay for all employed staff is:

1. As the charity exists to provide services and these services are delivered by trained personnel, expenditure on pay is the largest part of all revenue spending. The rates and costs of staff expenditure are thus reviewed and approved by the Trustees at all their meetings.
2. Pay rates for all staff are set on the principal that the rates must be competitive within the local charitable and statutory sectors so that the charity can continue to recruit high quality staff.
3. As the charity employs and relies on the services provided by a number of personnel without professional qualifications, pay at a lower level must exceed national benchmarks. The charity pays in excess of the national living wage to all staff.
4. The multiple between the lowest and the highest paid should not exceed a factor of five.
5. All staff must have access to appropriate pension schemes.
6. The Chief Executive is responsible for providing the Management Committee and the Board of Trustees with information on the annual pay and emoluments budget.

VRANCH HOUSE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Board of the Society

Mrs J Tolman-May - Chairman
Mrs R Neary - Vice Chairman
Mr A J Griffin
Miss P Hale
Mrs R Pavitt
Dr R Tomlinson
Miss S Williams (Resigned 9 April 2023)
Mrs S Tutinas
Mrs K Moss (ex-officio as Chief Executive with no vote)
Mr I Norton (ex-officio as Head of Education) (Resigned 31 May 2023)
Mrs Kayleigh Price (ex-officio as Head of Education) (Appointed 1 June 2023)
Ms R Wheeler (ex officio as Business Manager)
Mrs S Mitchell (ex officio as Head of Therapies) (Appointed 1 April 2023)

Company Secretary & Chief Executive

Mrs K Moss

Board of Governors

Mrs J Tolman-May - Chairman
Mrs R Neary - Vice Chairman
Mrs K Moss - Secretary
Mr I Norton - Head of Education (Resigned 31 May 2023)
Mrs K Price - Head of Education (Appointed 1 June 2023)
Mrs V Lye - Staff Member
Mrs S Tutinas - Parent Governor
Mr A J Griffin - Parent Governor
Mrs N Kelly - Parent Governor
Mr H Gray - Parent Governor

Management Committee

Mrs J Tolman-May - Chairman
Mrs K Moss
Ms R S Wheeler

VRANCH HOUSE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Organisation

The Board of the Society has a strategic oversight of the charity and meets at least four times a year. The Board employs a Chief Executive to work with a Head of Therapies and a Head of Education to oversee, direct and drive forward the Board's policies for the Clinic and the School (the principal operations of the charity).

The Chief Executive has delegated powers for the day-to-day operation of the Board's policies for employment, finance, contracts, legal compliance (including Equal Opportunities), buildings and acquisitions, risk assessment and mitigation, Health and Safety and business development.

To assist the Head of Education and meet statutory obligations for maintained schools, the Board has established a Board of Governors for the school. The Board of Governors has direct control of those matters bearing on the delivery of the educational service. Educational issues that are not within the scope of the Governors, are referred to the Board of Trustees.

The Head of Therapies is responsible to the Trustees for the full delivery of the clinical contract which includes professional and service delivery standards.

We also have a Business Manager in post to strengthen the Charity's management team. The finance team has been increased to 2 people to ensure if staff sickness occurs the Charity is able to fulfil the day-to-day financial activities that occur such as ordering, paying bills and staff. The Business Manager and Chief Executive also oversee some of the financial procedures too, as per the charity's policies, to ensure good practice and to safeguard the finance team and Charity from financial fraud.

Risk management

As a normal part of the annual business cycle the Society reviews its Risk Assessments. These include financial management, accounting, security of cash and removable assets, insurances, fire and Health & Safety. The outcome of these assessments is reported to the Trustees by the Chief Executive. The safeguarding, Health and Safety, Legionella and Fire Risk Assessments are translated into operating policies which are available to all employees. Employees at every level are encouraged to contribute to the continuous business of risk assessment through the Staff Meetings held every month.

Public Benefit - General Statement

The Trustees have established a practice of continuously reviewing all of the charity's activities and the development of services to ensure that they remain consonant with the requirements of the 2011 Charities Act, and particularly with Section 4 of the Act; the need to demonstrate Public Benefit. The charity operates in partnership with statutory bodies to provide expertise, treatment and enhanced services to children with physical disabilities. Referrals to the service are made by Local Authorities, medical professionals and parents. All service-appropriate referrals are seen for assessment and many children then access therapeutic interventions. The Local Authority can consult with the school for a place at the school for children with additional needs and a relevant EHCP.

The referral process, whether as a therapy outpatient or potential school pupil, is controlled by the charity. A school placement or therapy intervention might be deemed inappropriate at the assessment stage but only for reasons that are cogent, demonstrable and compliant with benchmarked national practice. The charity is as public a body as its statutory partners, and enters into no private arrangements for individual treatment. No member of the public is denied the services provided by the charity provided those services are assessed to be suitable and appropriate for the individual concerned, and the parents or guardians interact with the Charity appropriately.

VRANCH HOUSE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Related parties

The Society has formal and informal relationships with many other statutory and voluntary bodies. Principal amongst these is the 25-year Strategic Partnership Agreement with NHS Devon and Devon County Council under which the charity is funded for a proportion of the costs of the statutory educational and clinical services it provides. Services provided by the NHS ICB / CCG include the delivery of clinical therapies at the Vbranch House site.

The network of national and local charities and voluntary bodies is too complex and numerous to describe fully but the Society retains active links with The Exeter Chiefs Foundation, Dream-Away, Stanley Beau Foundation, CEDA and several County and national grant-making trusts. A similar network of local groups and individuals continue to assist the Society in raising funds for children at Vbranch House, and this incredibly generous and loyal support provides a much-needed and indispensable resource. The charity has also forged close links with the NHS funded Specialist Children's Assessment Centre, part of Children and Family Health Devon, which it hosts in a purpose-built facility on the Vbranch House site.

Auditor

In accordance with the company's articles, a resolution proposing that Simpkins Edwards Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Mrs J Tolman-May

Trustee

13 December 2024

VRANCH HOUSE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of Vbranch House Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in operation.

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

VRANCH HOUSE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VRANCH HOUSE LIMITED

Opinion

We have audited the financial statements of Vbranch House Limited (the 'society') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 March 2024 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.

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 society 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 society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees 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 our audit:

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

VRANCH HOUSE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF VRANCH HOUSE LIMITED

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the society for the purpose 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 society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charitable company through discussions with the Chief Executive and other management, and from our knowledge and experience of the charity, education and health sectors;
- 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 charitable company, including the Companies Act 2006, data protection, anti-bribery, employment, child protection, safety and health guidance and regulatory rules surrounding supporting, caring for and educating children and the safe operation of the centre, the pool and the site grounds and buildings;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries with management, reviewing correspondence with industry regulators, and inspecting legal correspondence; and
- Documented our findings on our audit file and considered the implications for our audit report.

VRANCH HOUSE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF VRANCH HOUSE LIMITED

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud or error 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, or error or mistake, and
- considering the internal controls in place to mitigate risks of fraud, error or mistake.

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;
- enquiry of management as to actual and potential litigation and claims and related notifications; and
- reviewing correspondence with HMRC, relevant regulators and legal advisors.

There are inherent limitations in our audit procedures described above. For example, non-compliance with non-financial laws and regulations are likely to be harder for us to identify or to quantify.

Material misstatements that arise due to fraud are often harder to detect than those that arise from error or mistake, as the transactions carried out to commit such offences often involve the deliberate concealment or removal of charity assets or collusion from those charged with governance and/or employees in such acts.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Jonathan Williams BSc FCA CTA (Senior Statutory Auditor)
for and on behalf of **Simpkins Edwards Audit LLP**

13 December 2024

Chartered Accountants
Statutory Auditor

The Summit
Woodwater Park
Pynes Hill
Exeter
EX2 5WS

VRANCH HOUSE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income and endowments from:							
Donations and legacies	3	46,435	58,616	105,051	22,487	18,700	41,187
Charitable activities	4	3,429,374	-	3,429,374	3,214,939	-	3,214,939
Other trading activities	5	26,870	-	26,870	22,767	-	22,767
Investments	6	76,882	-	76,882	14,905	-	14,905
Other income	7	578	-	578	2,500	-	2,500
Total income		3,580,139	58,616	3,638,755	3,277,598	18,700	3,296,298
Expenditure on:							
Raising funds	8	3,524	-	3,524	10,154	-	10,154
Charitable activities	9	2,753,941	51,211	2,805,152	2,405,558	48,280	2,453,838
Other expenditure incurred		88,384	-	88,384	109,614	-	109,614
Bank charges and society expenses	13	3,264	-	3,264	2,212	-	2,212
Total expenditure		2,849,113	51,211	2,900,324	2,527,538	48,280	2,575,818
Net income		731,026	7,405	738,431	750,060	(29,580)	720,480
Transfers between funds		(3,515)	3,515	-	-	-	-
Net movement in funds		727,511	10,920	738,431	750,060	(29,580)	720,480
Reconciliation of funds:							
Fund balances at 1 April 2023		7,671,310	1,033,187	8,704,497	6,921,250	1,062,767	7,984,017
Fund balances at 31 March 2024		8,398,821	1,044,107	9,442,928	7,671,310	1,033,187	8,704,497

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 16 to 32 form part of these financial statements.

VRANCH HOUSE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	15		4,972,697		5,011,905
Current assets					
Stocks	16	2,089		3,927	
Debtors	17	98,080		53,297	
Cash at bank and in hand		4,457,528		3,725,887	
		4,557,697		3,783,111	
Creditors: amounts falling due within one year	18	(87,466)		(90,519)	
Net current assets			4,470,231		3,692,592
Total assets less current liabilities			9,442,928		8,704,497
Net assets			9,442,928		8,704,497
The funds of the society					
Restricted income funds	20	1,044,107		1,033,187	
Unrestricted funds		8,398,821		7,671,310	
		9,442,928		8,704,497	

The notes on pages 16 to 32 form part of these financial statements.

The financial statements were approved by the trustees on 13 December 2024

Mrs J Tolman-May
Trustee

Company registration number 02599511 (England and Wales)

VRANCH HOUSE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	25		815,759		959,943
Investing activities					
Purchase of tangible fixed assets		(161,000)		(139,541)	
Investment income received		76,882		14,905	
Net cash used in investing activities			(84,118)		(124,636)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			731,641		835,307
Cash and cash equivalents at beginning of year			3,725,887		2,890,580
Cash and cash equivalents at end of year			4,457,528		3,725,887

The notes on pages 16 to 32 form part of these financial statements.

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Vranch House Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Vranch House, Pinhoe Road, Exeter, Devon, EX4 8AD. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £5 per member of the charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the society's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The society is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity continues to rely on the Service Led Agreement with Devon County Council (DCC) and the ICB Health Board (formerly known as the new CCG), as set out in the Trustees' Report. Based on information received to date, the Trustees have no reason to believe this support will not continue. These accounts have therefore been prepared on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. Unrestricted funds include a revaluation reserve representing the re-statement of the property at market value.

Restricted funds are subject to specific conditions and can only be used for particular restricted purposes. Restrictions arise when specified by donors or when funds are raised for a specific purpose or project. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the society is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. All income is then included in the Statement of Financial Activities.

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

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

Grants receivable, whether 'capital' grants or 'revenue' grants, are recognised when the charity has entitlement to the funds. This means; any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Membership subscriptions of £2 or £5 per annum are receivable from members. Should a member not pay their subscriptions, when due, they will be removed from the society.

Investment income is included when receivable.

The value of services provided by volunteers has not been included in these accounts. Further details of the contribution made by volunteers can be found in the Trustees Report.

Donated services and goods

Donated professional services and goods are recognised as income when the charity has control over the item, any conditions associated with the donated items have been met, the receipt of economic can be measured reliably. On receipt, donated professional services and donated goods are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or goods of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent on charitable or other activities, depreciation charges are allocated on the portion of the asset's use. Establishment and motor costs are allocated based on usage of buildings / floor space and vehicles utilised.

All expenditure is accounted for on an accruals basis, inclusive of Value Added Tax, which cannot be recovered.

Costs of raising funds are primarily incurred in attracting donations, gifts and grants and also the costs associated with other trading activities such as the annual summer fair.

The charity does not make any charge for capital costs to any of its principal customers.

Other costs include those costs associated with meeting the constitutional and statutory requirements of the charity. They include the audit, accounts and legal fees of the society together with staff training and recruitment charges linked to the strategic management of the charity.

1.6 Tangible fixed assets

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

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

Freehold land and buildings	2% on cost
Property improvements	5% on cost or over 5 years
Plant and equipment	20% reducing balance
Motor vehicles	25% reducing balance

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

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

The costs of minor additions or items costing less than £500 (2022: £300) are not capitalised.

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. A first in, first out method of allocation is applied. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.11 Taxation

The company is a registered charity and is exempt from taxation as long as it remains within the terms laid down by the Charity Commission.

1.12 Employee benefits

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

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

1.13 Retirement benefits

The Charity has arranged two defined contribution pension schemes for those members who are not eligible to join the Teachers' Pension Scheme. The assets of these schemes are held separately from those of the Charity.

The Charity has another defined contribution pension scheme, which was set up to comply with the government legislation for compulsory pensions in the work place.

All three of these defined pension schemes are operated by insurance companies, the employees contract directly with the insurance company. The Charity acts as agent in collecting and paying over pension contributions. There will be no liability to the Charity.

Teaching staff employed by the charity are eligible for membership of the Teachers' Pension Scheme, which is a national, statutory contributory, unfunded defined benefit scheme administered by the Teachers' Pension Agency, and executive agency of the Department for Education and Employment. Pension costs are accessed in accordance with the advice of the Government Actuary. The scheme is guaranteed by the government and therefore there will be no liability to the Charity.

Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year for the defined benefit scheme and the three defined contribution pension schemes. All four schemes are funded by contributions from employee and employer.

2 Critical accounting estimates and judgements

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

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

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	15,232	58,616	73,848	22,442	18,700	41,142
Legacies receivable	31,138	-	31,138	-	-	-
Membership fees	65	-	65	45	-	45
	<u>46,435</u>	<u>58,616</u>	<u>105,051</u>	<u>22,487</u>	<u>18,700</u>	<u>41,187</u>

4 Income from charitable activities

	School contracts 2024 £	Health Assessment contract 2024 £	Other charitable centre 2024 £	Other charitable acts 2024 £	Total 2024 £	Total 2023 £
Services provided under contract	2,054,345	1,195,191	165,084	-	3,414,620	3,186,289
Other income	-	-	-	14,754	14,754	28,650
	<u>2,054,345</u>	<u>1,195,191</u>	<u>165,084</u>	<u>14,754</u>	<u>3,429,374</u>	<u>3,214,939</u>
Analysis by fund						
Unrestricted funds	<u>2,054,345</u>	<u>1,195,191</u>	<u>165,084</u>	<u>14,754</u>	<u>3,429,374</u>	<u>3,214,939</u>

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4	Income from charitable activities	(Continued)											
		School contracts	Health Assessment contract	Optech	Other charitable acts	Other school acts	Total	2023	2023	2023	2023	2023	2023
		£	£	£	£	£	£	£	£	£	£	£	£
	Previous year:												
	Services provided under contract	1,904,820	1,114,220	6,817	-	-	-	3,186,289					
	Other income	-	-	-	13,538	15,112	28,650						
		1,904,820	1,114,220	6,817	13,538	15,112	3,214,939						
	Analysis by fund												
	Unrestricted funds	1,904,820	1,114,220	6,817	13,538	15,112	3,214,939						

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising events	5,977	7,465
Letting and licensing arrangements	20,893	15,302
	<u> </u>	<u> </u>
Other trading activities	26,870	22,767
	<u> </u>	<u> </u>

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	76,882	14,905
	<u> </u>	<u> </u>

7 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Courses	578	2,500
	<u> </u>	<u> </u>

8 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Other fundraising costs	3,524	2,502
Staff costs	-	7,652
	<u> </u>	<u> </u>
	3,524	10,154
	<u> </u>	<u> </u>

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Expenditure on charitable activities

	School contracts	Health Assessment contract	centre	Optech	Other charitable acts	Total
	2024	2024	2024	2024	2024	2024
	£	£	£	£	£	£
Direct costs						
Staff costs	1,377,819	934,818	13,477	2,665	2,032	2,330,811
Other direct costs	244,834	167,926	33,620	9,926	18,035	474,341
	<u>1,622,653</u>	<u>1,102,744</u>	<u>47,097</u>	<u>12,591</u>	<u>20,067</u>	<u>2,805,152</u>
Analysis by fund						
Unrestricted funds	1,591,926	1,082,260	47,097	12,591	20,067	2,753,941
Restricted funds	30,727	20,484	-	-	-	51,211
	<u>1,622,653</u>	<u>1,102,744</u>	<u>47,097</u>	<u>12,591</u>	<u>20,067</u>	<u>2,805,152</u>
Previous year:						
	School contracts	Health Assessment contract	centre	Optech	Other charitable acts	Total
	2023	2023	2023	2023	2023	2023
	£	£	£	£	£	£
Direct costs						
Staff costs	1,231,592	795,665	27,789	8,013	-	2,063,059
Other direct costs	203,703	140,135	22,040	8,431	16,470	390,779
	<u>1,435,295</u>	<u>935,800</u>	<u>49,829</u>	<u>16,444</u>	<u>16,470</u>	<u>2,453,838</u>
Analysis by fund						
Unrestricted funds	1,406,327	916,488	49,829	16,444	16,470	2,405,558
Restricted funds	28,968	19,312	-	-	-	48,280
	<u>1,435,295</u>	<u>935,800</u>	<u>49,829</u>	<u>16,444</u>	<u>16,470</u>	<u>2,453,838</u>

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Support and admin staff costs	32,218	-	32,218	56,192	-	56,192
Staff recruitment fees and other costs	11,031	-	11,031	1,928	-	1,928
Staff training and course costs	20,917	-	20,917	13,187	-	13,187
Audit fees	-	10,740	10,740	-	8,790	8,790
Accountancy	-	6,420	6,420	-	3,858	3,858
Legal and professional	-	7,058	7,058	-	25,659	25,659
	<u>64,166</u>	<u>24,218</u>	<u>88,384</u>	<u>71,307</u>	<u>38,307</u>	<u>109,614</u>
Analysed between Other expenditure incurred	<u>64,166</u>	<u>24,218</u>	<u>88,384</u>	<u>71,307</u>	<u>38,307</u>	<u>109,614</u>

Governance costs includes payments to the auditors of £10,740 (2023- £8,790) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or other benefits during the year nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Chief Executive	1	1
Vranch House school	67	59
Health contract	27	31
Administration and support	10	8
Total	<u>105</u>	<u>99</u>

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Employees (Continued)

Employment costs	2024 £	2023 £
Wages and salaries	2,049,782	1,844,445
Social security costs	163,769	145,160
Other pension costs	149,478	137,298
	<u>2,363,029</u>	<u>2,126,903</u>

The charity considers its key management personnel comprise the Chief Executive, Head of Education, Head of Therapies, the Business Support Manager and the Finance Administrators.

The total employment costs (salary, employer's NIC and pension) for the key management personnel was £431,346 (2023: £299,316).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
Band between £60,000 and £70,000	-	2
Band between £70,001 and £80,000	1	-
Band between £90,001 and £100,000	-	1
Band between £110,001 and £120,000	1	-
	<u>1</u>	<u>3</u>

13 Bank charges and society expenses

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Financing costs	706	600
Other expenditure	2,558	1,612
	<u>3,264</u>	<u>2,212</u>

14 Taxation

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

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Tangible fixed assets

	Freehold land and buildings	Property improvements	Plant and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2023	5,426,183	678,934	904,568	86,134	7,095,819
Additions	-	89,052	34,558	37,390	161,000
At 31 March 2024	5,426,183	767,986	939,126	123,524	7,256,819
Depreciation and impairment					
At 1 April 2023	1,152,790	120,866	736,766	73,492	2,083,914
Depreciation charged in the year	111,677	35,550	40,472	12,509	200,208
At 31 March 2024	1,264,467	156,416	777,238	86,001	2,284,122
Carrying amount					
At 31 March 2024	4,161,716	611,570	161,888	37,523	4,972,697
At 31 March 2023	4,273,393	558,068	167,802	12,642	5,011,905

The cost of freehold property is £3,306,988 (2023: £3,306,988). The property was revalued in March 2012, the revaluation uplift was £2,119,195. The revaluation surplus is reflected in the unrestricted funds balance.

The trustees had the land and buildings valued by John Daborn FRICS, Drew Pearce, Exeter in March 2016. A valuation of £5,490,000 was made on a depreciated replacement cost basis assuming that all ongoing works had been completed. The valuation has not been reflected in the financial statements.

16 Stocks

	2024	2023
	£	£
Finished goods and goods for resale	2,089	3,927

17 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	13,610	13,624
Prepayments and accrued income	84,470	39,673
	98,080	53,297

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Other taxation and social security		32,088	31,494
Deferred income		5,695	10,171
Trade creditors		11,549	6,211
Other creditors		16,902	20,368
Accruals		21,232	22,275
		87,466	90,519
		87,466	90,519

19 Retirement benefit schemes

		2024 £	2023 £
Defined contribution schemes			
Charge to profit or loss in respect of defined contribution schemes		92,218	83,884
		92,218	83,884
		92,218	83,884

The society operates a defined contribution pension scheme for qualifying employees. The assets of the scheme are held separately from those of the society in an independently administered fund.

Defined benefit scheme

The employer's contributions made to the Teachers' Pension Scheme - which is a defined benefit scheme - in the year amounted to £57,260 (2023: £53,414).

20 Restricted funds

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

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Fixed Asset Fund	983,993	-	(51,211)	107,920	1,040,702
Accessible Living Suite Fund	1,039	-	-	-	1,039
Outdoor Area Fund / Sensory Garden	14,280	56,517	-	(70,530)	267
Minibus Fund	33,875	-	-	(33,875)	-
Maytree Preschool	-	2,099	-	-	2,099
	1,033,187	58,616	(51,211)	3,515	1,044,107
	1,033,187	58,616	(51,211)	3,515	1,044,107

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

20 Restricted funds (Continued)

Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Fixed Asset Fund	1,021,584	-	(48,280)	10,689	983,993
Accessible Living Suite Fund	1,039	-	-	-	1,039
Outdoor Area Fund	1,268	13,012	-	-	14,280
Minibus Fund	33,187	5,688	-	(5,000)	33,875
Masonic Fund	5,689	-	-	(5,689)	-
	<u>1,062,767</u>	<u>18,700</u>	<u>(48,280)</u>	<u>-</u>	<u>1,033,187</u>

Purposes of Restricted Funds

Fixed asset fund

This fund includes fixed assets (buildings, plant & equipment and motor vehicles) acquired for a specific restricted purpose or using a specific restricted funding stream, typically, gifts, grants and donations. The value of this fund is depreciated over time in accordance with the accounting policies in place and guidance received on useful economic lives.

Accessible living suite fund

This fund represents a grant to adapt an existing teaching space to enable children and young people to exercise control over this environment using WiFi enabled devices. The remaining balance will be spent in future.

Outdoor area fund / Sensory garden

This fund represents donations received, over the past couple of years, towards the outdoor area / sensory garden project. The balance on this fund was spent during 2024. The works have now been completed.

Minibus fund

This fund represents donations received towards the purchase of a new WAV minibus. The balance on the fund was carried forward until the full cost of the minibus was raised. The new minibus arrived in July 2023 and is reported in full in these financial statements.

Maytree Pre-school

A local charitable pre-school was closed during the 2024 accounts year. The charity's trustees decided that Vbranch House should receive all remaining, unspent monies for future use in the charity's nursery setting.

Masonic fund

This fund represents a donation to cover the cost of a riding simulator and the accessories to go along side it. The remaining balance on the fund from 2022 was carried forward to pay for further accessories and associated equipment purchased in 2023. The fund has now been fully utilised.

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
General funds	7,671,310	3,580,139	(2,849,113)	(3,515)	8,398,821
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
General funds	6,921,250	3,277,598	(2,527,538)	-	7,671,310

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	3,931,995	1,040,702	4,972,697
Current assets/(liabilities)	4,466,826	3,405	4,470,231
	8,398,821	1,044,107	9,442,928
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	4,027,912	983,993	5,011,905
Current assets/(liabilities)	3,643,398	49,194	3,692,592
	7,671,310	1,033,187	8,704,497

Unrestricted funds

At year end, unrestricted funds total £8,398,821 (2023: £7,671,310) and include an unrestricted general fund surplus of £6,279,626 (2023: £5,552,115) and a revaluation reserve surplus of £2,119,195 (2023: £2,119,195).

VRANCH HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

23 Capital commitments	2024	2023
	£	£
Amounts contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	44,940	37,390
	<u> </u>	<u> </u>
24 Related party transactions		
There were no disclosable related party transactions during the year (2023 - none).		
25 Cash generated from operations	2024	2023
	£	£
Surplus for the year	738,431	720,480
Adjustments for:		
Investment income recognised in statement of financial activities	(76,882)	(14,905)
Depreciation and impairment of tangible fixed assets	200,208	196,163
Movements in working capital:		
Decrease in stocks	1,838	179
(Increase)/decrease in debtors	(44,783)	60,328
Increase/(decrease) in creditors	1,423	(12,473)
(Decrease)/increase in deferred income	(4,476)	10,171
	<u> </u>	<u> </u>
Cash generated from operations	815,759	959,943
	<u> </u>	<u> </u>
26 Analysis of changes in net funds		
The society had no material debt during the year.		

VRANCH HOUSE LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 MARCH 2024

VRANCH HOUSE LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

	£	2024 £	£	2023 £
INCOME				
Donations and legacies				
Membership		65		45
Donations and grants		73,848		41,142
Legacies		31,138		-
Other trading activities				
Fundraising events		5,977		7,465
Rents received		20,893		15,302
Courses		578		2,500
Investment income				
Bank interest		76,882		14,905
Charitable activities				
Vranch House School		2,054,345		1,904,820
Vranch House Centre		1,195,191		1,114,220
Assessment Centre		165,084		160,432
Optech		-		6,817
Other Charitable activities		14,754		28,650
Total incoming resources		<u>3,638,755</u>		<u>3,296,298</u>
EXPENDITURE				
Raising donations and legacies				
Wages	-		7,652	
Fundraising	3,524		2,502	
Charitable activities				
Charitable activities wages, Ers NIC and Pension	2,330,811		2,063,059	
School direct costs	244,834		203,703	
Health direct costs	167,926		140,135	
Assessment centre direct costs	33,620		22,040	
Optech direct costs	9,926		8,431	
Meals direct costs	18,035		16,470	
		<u>2,808,676</u>		<u>2,463,992</u>

VRANCH HOUSE LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

(Continued)

Other expenditure to support the charity		
Support and admin wages costs	32,218	56,192
Staff recruitment and other costs	11,031	1,928
Staff training costs	20,917	13,187
Legal and professional charges	7,058	25,659
Audit and accountancy fees	17,160	12,648
Office and other costs	2,558	1,612
Bank charges	706	600
	<hr/>	<hr/>
Total resources expended	2,900,324	2,575,818
	<hr/>	<hr/>
Net surplus income	738,431	720,480
	<hr/>	<hr/>