

INCLUDE

**Annual Report and Financial Statements
Year ended 31 August 2019**

**Company Registration Number:
02429781 (England and Wales)**

Charity registration number 803333



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Reference and Administrative Details

Directors	Chris Wright
Principal and Registered Office	27 Pear Tree Street London EC1V 3AG
Company Registration Number	02429781 (England and Wales)
Independent Auditor	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	Barclays Bank plc Level 27 1 Churchill Place London E14 5HP

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Trustees' Annual Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year from 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Activities of Include

The principal activity of Include was that of providing education & multi-disciplinary support to young people excluded from mainstream education in Local Authority Borough across the country. These services, primarily delivered through independent schools, were provided in partnership with the local education authorities and the Local Authority Boroughs. We also provided in schools services, and played a significant role in promoting behaviour improvement & academic progression through multi-disciplinary practice. With effect from 2017 the provision was transferred to the parent charity, Catch22 Charity Limited. No activity took place during this financial year. There are no plans for the company to engage in any new activities moving forward as its work will be continued by Catch22.

The company was dormant in the period under review.

Income

There was no incoming resources for Include in 2018/19 compared with £nil for 2017/18.

Expenditure

Resources expended on charitable activities and governance for 2018/19 was £nil compared with £nil for 2017/18.

The reduction of income and expenditure is a result of moving the operations of Include to Catch 22, its parent charity, during the year as mentioned above.

Reserves

The Finance and Business Administration Committee of Catch22 conducts an annual review of the level of consolidated unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values
- to protect ongoing work programmes
- to allow the group of charities to meet its objectives.

Includes' reserves are considered as part of the group of charities rather than in isolation. Combined reserves of the Catch22 group are considered by the Trustees to be adequate as at 31st August 2019. The general reserves of Include at 31st August 2019 are £253k compared with £253k at 31st August 2018.

Structure, Governance and Management

Structure

Include is a Company Limited by Guarantee, and was registered as a charity in July 1990.

Its objects, as stated in its Memorandum of Association, are:

- To advance the education of the public by all charitable means.
- To further the formal and informal education of the public particularly those up to the age of 19 years by providing an educational environment instruction and teaching within a context of spiritual truths and moral values.
- To promote the establishment and running of schools, colleges, courses pastoral and personal training, counselling colloquia and supportive networks particularly those dedicated to the whole development of the child's potential personally, socially, academically, spiritually, economically and with due reference to the employability, skills enhancement, family relationships and other such supportive groupings.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Catch22 Charity Limited became the sole member of Include on 1st December 2013, following an acquisition from the previous parent company CfBT Education Trust. The governance and management of Include passed to Catch22 on this date.

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Trustees' Annual Report (continued)

Trustees

Mr Chris Wright

Trustees' responsibilities

The trustees (who are also directors of Include for the purposes 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the outgoing resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Disclosure of information to auditors

- So far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- Each Trustee has taken all the steps that ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Risk management

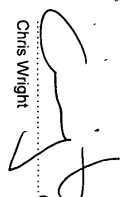
Include do not have its own audit committee but links in the risk management structure of its parent company (Catch22 Charity Limited). The trustees have in place a risk management process. The process identifies the types of risks the charity faces, prioritises them in terms of likelihood of occurrence and potential impact, identifies the means of managing these risks and monitors how they are managed.

Development and review of the risk management arrangements are the responsibility of the Audit Committee.

Auditors

Moore Kingston Smith LLP were appointed as auditors and have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Signed on behalf of the Board of Trustees


Chair
Chris Wright

Independent Auditor's Report on the Financial Statements to the Board of Trustees of Include

Opinion

We have audited the financial statements of Include for the year ended 31 August 2019 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the trustees' annual report have been prepared in accordance with applicable legal requirements.
- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

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

Independent Auditor's Report on the Financial Statements to the Board of Trustees of Include

- certain disclosures or 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

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this 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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Mr Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

23/1/2020

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Statement of Financial Activities for the year ended 31 August 2019 (including Income and Expenditure Account)

		Restricted General Funds	Unrestricted General Funds	Total 2019	Discontinued Operations Total 2018
	Note	£	£	£	£
Income from:					
Donations and grants		-		-	-
Charitable activities:					
Service delivery fee income			-	-	-
Total Income		-	-	-	-
Expenditure on:					
Charitable activities		-	-	-	-
Total Expenditure		-	-	-	-
Net income/(expenditure)	2	-	-	-	-
Net movement in funds		-	-	-	-
Reconciliation of funds					
Total funds brought forward		-	-	253,295	253,295
Total funds carried forward	5	-	-	253,295	253,295

The charity had no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

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Balance Sheet as at 31 August 2019

Company Number 01234567

	Notes	2019 £	2019 £	2018 £	2018 £
Current assets					
Debtors	3	275,285		275,285	
Cash at bank and in hand		-		-	
		<u>275,285</u>		<u>275,285</u>	
Liabilities					
Creditors: Amounts falling due within one year	4	(21,990)		(21,990)	
Net current assets/ (liabilities)			<u>253,295</u>		<u>253,295</u>
Total assets less current liabilities			253,295		253,295
Net assets / (liabilities)			<u>253,295</u>		<u>253,295</u>
Accumulated Funds					
Restricted funds			-		-
Unrestricted income funds	5		<u>253,295</u>		<u>253,295</u>
Total funds			<u>253,295</u>		<u>253,295</u>

The financial statements were approved by the Board of Trustees and authorised for issue on DD/MM 2019



Chris Wright
Trustee

The notes on pages 11 to 13 form part of these financial statements

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Cash Flow Statement for the year ended 31 August 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	7	-	(4,152)
Change in cash and cash equivalents in the reporting period	7	<u>-</u>	<u>(4,152)</u>
Cash and cash equivalents at 1 September 2018		-	4,152
Cash and cash equivalents at the 31 August 2019	7	<u>-</u>	<u>-</u>

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Notes to the Financial Statements for the year ended 31 August 2019

1. Accounting policies

Include is a charitable company, limited by guarantee, incorporated in England and Wales and registered with the Charity Commission. The registered office is 27 Pear Tree Street, London EC1V 3AG.

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the 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 (the FRS 102 Charities SORP) and the Companies Act

Going concern

The charity's main activities were transferred to its parent charity, Catch 22 Charity Limited, in 2017 after which the charity ceased to operate. Consequently, this requires a basis other than the going concern basis to be used in the preparation of the financial statements. No amendments are considered necessary in these financial statements following the change of basis.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest pound.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted) is set out below:

Income

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably. The following accounting policies are applied to income.

Where contract and grant funding is subject to specific performance conditions, the income is recognised as earned (as the related services are provided or outcomes delivered). Any amounts received in excess of what has been earned by the year end are included within deferred income in current liabilities. Other grant income is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Donations

Donations and all other receipts from fundraising are reported gross and are accounted for on a receivable basis. The related

Investment income

Investment income is accounted for when receivable and includes the related tax recoverable.

Expenditure

Liabilities are 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 benefit will be required in settlement and the amount of the obligations can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to expenditure.

Allocation of overhead and support costs

Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

Governance costs

Governance costs are included within support costs and consist of trustees' expenses and annual audit and non-audit fees.

Financial Instruments

Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

2. Net Operating Deficit

The 2019 auditors remuneration of £950 (2018: £2,500) will be paid by the parent charity, Catch 22 Charity Limited.

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Notes to the Financial Statements for the year ended 31 August 2019 (continued)

3 Debtors	2019	2018
	£	£
Trade debtors	-	-
Amounts owed from other group companies	275,285	275,285
Rent deposits	-	-
Prepayments and accrued income	-	-
	275,285	275,285

Financial instruments included in the above are £275k (2018: £275k)

4 Creditors: Amounts Falling due within one year

	2019 #	2018
	£	£
Trade creditors	-	-
PAYE taxation and social security	-	-
Other creditors	21,990	21,990
Accruals and deferred income	0	-
	21,990	21,990

Financial instruments included in the above creditor balances are £22k (2018: £22k).

5 Funds

Analysis of unrestricted fund movements

Fund balances at 31 August 201	Total 2019	Total 2018
	£	£
MAT/Ashwood	-	-
Balance brought forward at 1st September 2018	253,295	253,295
Income	-	-
Expenditure	-	-
Transfer between funds	-	-
Central	-	-
Balance carried forward at 31st August 2019	253,295	253,295
Total funds	253,295	253,295

All of the restricted funds relate to Pupil Premium

Restricted Reserves (specific)

Pupil Premium

The pupil premium is additional funding for publicly funded schools in England to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers.

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Notes to the Financial Statements for the year ended 31 August 2019 (continued)

6 Analysis of Net Assets between Funds

Fund balances at 31 August 2019 are represented by:

	General Funds	General Funds	Total Funds
	£	£	£
Tangible fixed assets	-	-	-
Current assets	275,285	-	275,285
Current liabilities	(21,990)	-	(21,990)
Total net assets	253,295	-	253,295

Fund balances at 31 August 2018 are represented by:

	General Funds	General Funds	Total Funds
	£	£	£
Tangible fixed assets	-	-	-
Current assets	275,285	-	275,285
Current liabilities	(21,990)	-	(21,990)
Total net assets	253,295	-	253,295

7 Reconciliation of Net Income/(expenditure) to Net Cash Flow from Operating Activities

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	-	-
Adjusted for:		
Decrease/(increase) in debtors	-	7,703
(Decrease)/increase in creditors	-	(11,855)
Net cash provided by / (used in) Operating Activities	-	(4,152)

8 Ultimate parent charity

The charity's ultimate parent charity is Catch22 Charity Limited. Copies of the consolidated financial statements are available from the Company Secretary of Catch22 Charity Limited, whose registered office is 27 Pear Tree Street, London EC1V 3AG.

9 Related Party Transactions

At 31 August 2019, £275,285 (2018-£275,285 owed to) was owed by Catch22 Charity Limited and £nil (2018- £nil) was owed to Parent Pupil Partnership, a fellow subsidiary.