

The PSP Association

(A Company limited by guarantee)

Report and Financial Statements

Year ending 31 December 2020

Charity number 1037087

Company number: 2920581

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The PSP Association (PSPA) report of the trustees for the year ending 31 December 2020

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS102) (effective 1 January 2015).

Trustees Report

Objectives and activities

The objectives of PSPA are to:

- Promote and sponsor research to improve diagnosis, to fully understand the causes and to discover a cure or at least disease-modifying treatments for Progressive Supranuclear Palsy (PSP) and Corticobasal Degeneration (CBD).
- Support families coping with PSP & CBD by providing support, information and assisting their access to NHS and other public or voluntary sector assistance.
- Develop an awareness, particularly amongst relevant medical professionals and social services of PSP, CBD and PSPA in order to develop and promote best practice when meeting the needs of people and their carers living with these conditions.

PSPA was first registered as a company limited by guarantee and as a charity in 1994. It is one of only three charities of any significant size in the world focussing on PSP & CBD. The others are the USA based charity CurePSP, and the Swedish not-for-profit foundation CBD Solutions. We cooperate with both charities, especially in the field of research.

PSP & CBD

PSP is a neurological condition caused by the progressive death of nerve cells in the brain. There is no treatment to reduce the progression of the disease. The average life expectancy from the onset of symptoms is seven years and current treatments are therefore limited to the management of symptoms. It is often misdiagnosed, most commonly as Parkinson's Disease.

PSP is associated with an over-production of the tau protein in some areas of the brain. The protein forms into clumps (neurofibrillary tangles) that lead to the death of nerve cells, especially in the motor areas of the brain, although the intellect often remains intact.

Symptoms include:

- Falling backwards
- Postural instability
- Slowness of movement
- Motor recklessness
- Eye problems due to the rigidity of the eye muscles

- Speech slurring and softness
- Swallowing problems
- Cognitive changes
- Mood swings, apathy and irritability

CBD has a similar pathology and progression to PSP. It usually presents similar symptoms to PSP, but one side of the body may be more affected and symptoms may also include 'alien' movements and tremor in the affected side.

Recent research by the PROSPECT study concluded that prevalence of PSP | CBD is potentially twice what we previously thought with up to 10,000 people in the UK directly affected by the conditions.

The diseases are not inherited, although research indicates that some people may have a genetic disposition that makes them more susceptible.

Review of the year's achievements and performance

For PSPA, as for many other UK charities, the COVID-19 pandemic meant that 2020 was a very challenging year. We had to suspend our in-person support services and pivot rapidly to providing online support to the thousands of individuals living with PSP & CBD and their carers. Our fundraising activities suffered from both the cancellation of key challenge events like the London Marathon and the ability of our supporters to organise and participate in traditional fundraising activities.

The PROSPECT study, our key research investment, faced two principal challenges from the pandemic, i) on-site recruitment of new participants was stopped and ii) many research staff were redeployed to COVID-related research studies. However, the need to create alternative ways to recruit participants and conduct study procedures remotely means we now anticipate that these remote assessment options will enable more patients to take part in the study who would have previously been unable to get to study sites.

Despite the many challenges, our cautious approach to building reserves in previous years ensured that the charity started the year with sufficient financial resilience to navigate the changing environment and despite 2020 income at £924,209 being 25% below our 5-year average, the deficit for the year was only £22,790. The team worked extremely hard to conserve our resources and take advantage of the financial support offered by the government, whilst adjusting rapidly to the demands of working from home. Our fundraisers also came up with various creative ways to raise money despite the cancelled events and lockdowns.

Our volunteers continued to provide invaluable support in the face of the lockdowns. Following a call to action in March 2020 when vulnerable people were asked to shield, over 50 people came forward to volunteer as PSPA "micro volunteers", offering support with shopping, picking up prescriptions and champion calls for those feeling isolated. Later in the year our twenty eight Education Volunteers moved their training sessions for health professionals online.

Key metrics for 2020:

- Individuals supported, including carers and family members: 5,400
- Helpline: incoming calls/emails handled: 3,589; proactive outbound calls made: 720

- New joiners within the PSPA community: 763
- Local group meetings held: 126
- Volunteers: 198

Improving care and support

While the global pandemic greatly challenged traditional means of support, what did emerge is the strength of the PSP & CBD community, with many individuals with past experience of PSP & CBD contacting PSPA to offer their help and support. Thanks to this community we were able to create a volunteer companion service to help overcome some of the loneliness and social isolation felt by those who had lost access to carers, respite services and other avenues of support due to the pandemic.

As the only UK charity dedicated to improving the lives of people living with PSP & CBD, increasing the reach and impact of our support services continues to be a key area of focus for PSPA.

Local groups pivot online

Our local groups have traditionally met face-to-face in community centres, church halls and similar venues run by volunteers; they are an excellent way to find companionship and share experiences and ideas. Following the announcement in March 2020 of the lockdown restrictions across the UK, PSPA had to work quickly to ensure those who attended the meetings were still able to meet. Using Zoom, we were able to support three quarters of the local group coordinators to host their groups virtually.

Having proved the value of online groups we extended our reach by creating new groups in parts of the country we had not previously been able to reach, including Northern Ireland and the South West. Overall in 2020 we held 126 local group meetings.

New PSPA Support Grants

Introduced in 2020, PSPA support grants provide a one-off payment of up to £250 and aim to help improve the quality of life for people who are living with or affected by PSP or CBD. Items and services our support grant could contribute funding towards include:

- A communication aid, such as a tablet
- A mobility aid, such as a wheelchair or scooter
- Respite care
- Counselling sessions

Around half of people who have applied for a support grant have been new to PSPA. This means that alongside the direct benefits of each grant, their availability is raising awareness about PSPA amongst health service care providers, ensuring that a larger proportion of patients and their families are introduced to the support PSPA can provide.

Newly Diagnosed Support Groups

Our new Newly Diagnosed group online meetings are aimed at people who have been diagnosed within the last six months. We know from feedback how important it is for people to meet others who are experiencing the same feelings and emotions following diagnosis and talk through the support and information available to them. At the initial meeting we were joined by more than 30 screens and overall 54 people attended the initial

block of 6 meetings. Each meeting includes a different guest speaker from the multidisciplinary team who support people living with PSP/CBD to manage their symptoms and care

Youth Support Group

With support from one of our volunteers, we launched the Youth Support Group in September 2020. This group brings together people aged between eighteen and thirty years old across the world who have a loved one who is living with PSP or CBD. The group meets to support each other on a monthly basis as well as keeping in touch over social media.

Funding and promoting research

New Research Strategy:

In 2020 we published a new research strategy outlining how we will develop our research activities over the five years from 2020 to 2025. As well as prevention and treatment the strategy highlights the importance of research that will help people living with PSP & CBD to receive better care and an enhanced quality of life. The new strategy was based on a structured consultation with patients, carers, health professionals, scientists and researchers and identified five themes as being priority areas for people living with PSP & CBD:

1. Raising awareness
2. Improving diagnosis
3. Supporting people
4. Preventing and identifying the causes
5. Developing treatments

The new strategy was officially launched on 23 January 2021 at an online Research Information Day. This was a hugely informative and useful session, a recording of which is available on our website.

Ongoing Research projects

1) PROSPECT

The PROSPECT study is an ongoing multicentre study led by Professor Huw Morris based at the National Hospital for Neurology and Neuroscience. By the end of 2020 it had recruited just over 700 PSP, CBD and control participants across 29 study sites across the UK making it one of the largest studies of PSP in the world. With the data collected by this study, researchers have been able to explore a variety of avenues to better understand underlying disease biology, potential therapeutic targets, genetic determinants, and clinical heterogeneity of atypical parkinsonian disorders.

With the data collected, the PROSPECT study has shown that:

- PSP affects people in different ways and that some forms of PSP are similar in the early stages to Parkinson's
- the research suggests that PSP is twice as common as was previously thought and may affect around 8000 people in the UK
- we have shown that genetic factors (TRIM11 and LRRK2) may determine the different PSP clinical presentations and the progression of PSP; we hope that this will be used to define new treatments. **2020 delivered a seminal finding on the association between**

LRRK2 and survival in PSP which was published in the leading neurology journal Lancet Neurology.

- we have studied early-onset PSP defined by motor symptom onset \leq 55 years old and shown that early-onset PSP is often clinically similar to Parkinson's disease and that genetic analysis can help differentiate between the two disorders
- further work is proceeding with follow-up clinical biomarker and repeat genetic analysis
- our samples and data have been requested and released to multiple investigators around the world

Since 2014, PSPA has provided significant ongoing funding to the PROSPECT study. During that time, additional funding and support has been obtained from the MRC clinical training fellowship, CBD Solutions, the NIHR clinical research network and UCLH Biomedical Research Centre.

Identifying the genetic variant which determines the speed at which PSP progresses is a major development in our fight against PSP & CBD. As Dr Ed Jabbari said: "While more research needs to be done, this finding opens the potential to target LRRK2 in future clinical trials as a treatment that may slow down PSP in its tracks."

2) Dr Danielle Lux – Sara Koe Clinical Research Fellowship, University of London

This research forms part of the PROSPECT study. The chief aim is to understand the many different guises of CBD, track the progression and identify biomarkers to help improve diagnosis.

3) Improving diagnosis and care in PSP & CBD, Dr Diane Swallow, University of Aberdeen

This Scottish research project was funded jointly by PSPA and the Chief Scientist Office Scotland. As well as determining a prevalence rate for PSP & CBD in Scotland, it aims to evaluate diagnostic pathways and identify where improvements can be made. Nearly 100 people in Scotland with PSP or CBD were recruited and followed as they progressed with their condition. Many nominated a family member to take part alongside them meaning we also benefited from the gathered experience of carers. For each person with PSP or CBD involved in the study we also invited a person of the same age and gender with a Parkinson's diagnosis to take part to enable comparisons between PSP, CBD and Parkinson's. The systematic processing of this information will increase our knowledge and evidence base in PSP and CBD which in turn should lead to improvements in diagnosis and care.

Campaigning and raising awareness

To maximise our impact, PSPA continues to collaborate with national and international organisations including the National Neurological Alliance and the National Neurological Alliance Scotland, as well as CurePSP in the US, CBD Solutions in Sweden and PROMOTUS.

Our 2020 PSP & CBD Awareness Week featured a film premier, a moving poem, the launch of the Red Flags and an Ask the Expert session - and reached 88,000 people on social media.

Health and social care professionals

PSP & CBD are relatively rare diseases and many health and social care professionals may have very little, if any, experience of supporting those living with the conditions. Through our information and education, we support local health and social care providers to gain a

greater understanding of the care needs of people with PSP or CBD. We publish a range of free resources to support health and social care professionals who are caring for those with PSP & CBD and in 2020 we added our Red Flags for General Practitioners – one for PSP and one for CBD.

In Scotland we participated in Scotland's National Framework for Action on Neurological Conditions, which enabled us to extend our contacts with health and social care professionals in Scotland and raise awareness of our updated Guide for GP's and Primary Healthcare Teams and the Guide for Occupational Therapists.

We would like to thank

PSPA is grateful to all the donors, trusts and foundations who continue to support our work. We would also particularly like to thank:

Dr Anne Silk, for her funding of prism glasses for people with PSP.

Talbots Underwriting for choosing PSPA to be their charity partner during 2021 and 2022 and Kelly Hooper for nominating us.

Future plans and priorities

Support to people with PSP & CBD and their families

In 2021 we plan to increase capacity on the helpline by extending the opening hours to 9am-7pm from 9am-5pm. Combined with the evening helpline from 7pm to 9pm, which is manned by our trained helpline volunteers, this will mean we can offer a 9am-9pm helpline service. As well as increasing our availability to handle incoming calls, this will also enable the team to provide more proactive outreach calls, which are designed to reduce isolation and loneliness particularly amongst carers.

2021 will see the introduction of our voice banking partnership with SpeakUnique under which PSPA will offer funding for one of three different voice banking services for people living with a diagnosis of PSP or CBD depending on their speech needs: Voice Build, Voice Repair or Voice Design. We will also continue to offer PSPA Support Grants.

We also plan to extend our Information Library with new information aimed specifically at care and residential home staff, to improve awareness of PSP & CBD and ensure best practice support for residents with these diagnoses. This support will be delivered working in conjunction with the volunteer educators.

Research

Historically, PSPA's investments in research have often acted as a catalyst for researchers to obtain significant follow-on grants from large funders such as the MRC (Medical Research Council), Wellcome Trust and NIHR (National Institute for Health Research). Using our research investment in this way, along with our ability to respond quickly to new opportunities, has ensured that the charity can create significant impact with limited funds. We will continue to provide 'seed funding' for research in this way, under the guidance of our Research Committee.

At the start of 2021 PSPA had outstanding research commitments of £424,599 (note 6), the majority of which is linked to the PROSPECT study project.

Fundraising approach

We maintain our commitment to the Code of Fundraising Practice in all our fundraising, including when we work with third parties. We adhere to the principles of our Fundraising Promise, aligned with the Fundraising Regulator and Code of Fundraising Practice.

We are committed to upholding our Fundraising Promise to our supporters, and will always:

- Commit to high standards
- Be clear, honest and open
- Be respectful
- Be fair and reasonable
- Be accountable and responsible.

Our approach, along with how we manage and use supporters' data, is set out in our supporter promise and privacy statement which is available to view on our website. When we identify people who may be in vulnerable circumstances we take appropriate steps to protect them from fundraising requests. This information can be seen on our website.

We work with a small number of commercial partnerships to raise money. We monitor these third parties to ensure they meet the same high standards as our own fundraisers and have agreements in place to ensure this happens.

We capture and monitor communications across various channels. It's vital to our work that supporters can easily send us their comments or complaints. We aim to answer the phone in five rings and respond to letters, emails and queries through our website within five working days of receiving them. If we can't, we aim to keep supporters informed of progress.

We don't always get it right. In 2020, we received 4 complaints from supporters not receiving acknowledgements for donations.

We take all complaints seriously. Simple complaints are generally dealt with immediately by the Fundraising team, and we aim to resolve the complaint or acknowledge receipt within five working days. More serious complaints are escalated to the Chief Executive Officer and Trustees so they can consider the lessons learned. Our feedback and complaints procedure is available on our website.

Financial review

PSPA recorded a small deficit of £22,790 in 2020 (2019: surplus £252,726) against a total income of £924,209 (2019:£1.265 million) including in 2020 a grant received from the government under the Coronavirus job retention support scheme of £39,409.

The charity experienced a sharp decline in its main sources of income in what has been a very challenging year; voluntary fundraising and events including the London Marathon £173,344 (2019 £466,923); income from trusts also suffered for a second year at £48,940 (2019:£142,821); and, in memoriam income fell by just 3.5% to £176,602. Legacy income of £154,963 (2019 £111,622) was received.

Our sincere thanks to all the Charitable Trusts and Foundations that have supported our work, not just in the past year, but in many cases for several years. Their continued interest and support is a huge encouragement to us.

Thanks to our generous supporters, direct mail appeals raised a total of £37,421, with thanks to our supporters for their response to the emergency covid appeal. Donations also held up strongly at £150,786, again courtesy of the amazing generosity of the charity's supporters and friends.

Investment powers and policy

The Trustees, having considered the research funding requirements, combined with the operating cash needs of PSPA and the prevailing low deposit interest rates available in the market, and the current uncertainty in timing of cash-flows as a consequence of the pandemic, decided to retain liquid funds in the main bank account supported by fixed term treasury deposits. This approach will be reviewed again in 2021.

Reserves policy and going concern

Reserves are needed to bridge the gap between spending and income received from donations and fundraising activities. During 2020, the Trustees sought to maintain the level of reserves at the equivalent of 12 months budgeted fixed costs although fluctuations were experienced during the year whilst continuing to manage expenditure to keep reserves in line with this policy.

Cash outflow from operating activities of £58,552 reflects the action taken by the charity during the pandemic to mitigate against reduced income by taking steps to reduce variable operational costs as far as possible while minimising impact on its service.

The Trustees have remained alert to the continuing impact of the pandemic on the finances of the charity. However, given the prudence of the reserves policy and the action taken to manage costs they are confident that the charity has sufficient funds to continue to operate and meet liabilities as they fall due.

Principal risks and uncertainties

Risk Management

The trustees acknowledge their responsibility for the charity's systems of internal control and risk management. There is a risk management strategy in place which comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The main risk categories relevant to PSPA are financial risk; reputational risk; fundraising risk; external environment risk; and legal and regulatory risk, including GDPR, health and safety and new fundraising standards.

Given the challenging fundraising environment during Covid-19, financial risk was closely monitored by the trustees during 2020. Loss of several key staff members during 2020 and early 2021 also poses a risk that is being actively managed in 2021.

Structure, Governance and Management

Reference and administrative details

Committees of the board

Finance, audit and risk committee

This is a committee of the board with ongoing responsibilities for monitoring and review of financial performance, and the identification and management of financial and operational risk. The committee performs a detailed review of the annual budget, oversees the financial audit and undertakes detailed reviews of the monthly management accounts.

The committee includes a minimum of 3 members of the board, including the chair of the board. The committee is chaired by one of the members (not being the chair of the board) who must have recent and relevant financial experience. It is attended by the CEO and head of finance (both *ex officio*).

Nomination and remuneration committee

Tasks include the scrutiny of prospective directors, the appointment of the CEO and senior staff, and the review of available skills within the board. The committee is also responsible for ensuring that staff are appraised by the CEO and, in this regard, acts as a committee of appeal for disputes arising between the staff and the CEO. The committee's other responsibilities include:

- advising the board and the executive on succession planning
- advising the board on non-financial operational risks and relevant procedural, disciplinary and administrative issues

The committee includes a minimum of 3 members of the board. It is encouraged to take outside advice, where appropriate.

Research committee

The Research Committee takes delegated responsibility on behalf of the Board of Trustees for the research strategy, its delivery and funding streams. This Committee ensures there is a framework for accountability, and that the charity is working within appropriate legal and ethical boundaries, to fund research of the highest quality, and of greatest benefit to people with PSP & CBD. The Research Committee will adhere to the recommendations of the AMRC for the management of research.

Primarily composed of outside members, the committee must include at least one member of the board and is attended by the Chair and the CEO (both *ex officio*).

Appointment of trustees

The board may select new trustees by any means it deems appropriate, which may include the introduction of personal contacts, by advertising, or by direct approach to individuals. All applicants to become trustees are interviewed by a selection panel of at least 3 trustees including the Chair.

New trustees are appointed for a 3-year term, which may be extended by mutual agreement for a second period of 3 years. The chair is appointed for a non-renewable term of 5 years.

Trustee induction and training

The Chair provides oversight of new trustee orientation, which includes their legal and fiduciary obligations under charity and company law, the Charity Commission guidance on public benefit, the charity's Memorandum and Articles of Association and governance processes, the business plan and recent financial performance of the charity.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity and a related party must be disclosed to the full board of trustees. In the current year no such related party transactions were reported.

Remuneration policy and senior staff

The directors consider the board of directors, who are the Association's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Association on a day to day basis. All directors give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in notes 8 and 11 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

Statement of trustees responsibilities and corporate governance

The charity trustees (who are also the directors of The PSP Association for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charity for that period. In preparing the 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

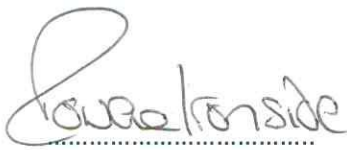
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

Statement as to the disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees



Chair

15 Sep 2021 Date

Organisational information

Charity number: 1037087

Company number: 2920581

Registered Office: Margaret Powell House, Midsummer Boulevard, Milton Keynes, Buckinghamshire, England, MK9 3BN

Our advisers

Auditors: Harris & Co 2 Pavilion Court, 600 Pavilion Drive, Northampton, NN4 7SL

Bankers: Lloyds Bank 1-3 London Rd, East Grinstead, RH19 1AH

Board of trustees

Chair: Rowena Ironside (appointed 1 April 2021)

Shauna Mackenzie (resigned 14 October 2020)

Paul Inness

Barbara Johnston (Resigned 31 March 2021)

Steven Le Hellidu (Resigned 31 March 2021)

Professor James Rowe

James Noble

Jon Garrard

Dr Boyd Ghosh (appointed 1 July 2021)

Company Secretary: Carol Amirghiasvand

Key management personnel:

Chief Executive Officer: Andrew Symons (resigned 31 March 2021)

Director of Engagement/Interim CEO: Carol Amirghiasvand

Research Committee

Chair: Prof Nigel Leigh

Prof Johannes Attems

Prof Siddharthan Chandran

Dr Alistair Church

Dr Boyd Ghosh

Prof Diane Hanger

Prof Michele Hu

Prof Amritpal Mudher

Prof James Rowe (trustee representative)

Navin Sewak (lay member)

Independent auditors report to the Trustees of The PSP Association

Opinion

We have audited the financial statements of The PSP Association (the 'charitable company') for the year ended 31 December 2020 which comprise the balance sheet as at 31 December 2020, the statement of financial activities, balance sheet, statement of cashflows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020, 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the trustees' assessment of the charitable company's ability to continue to adopt the going concern basis of accounting included:

- Enquiring of management regarding the assumptions used in the going concern models;
- Evaluating the charitable company's current and projected cash position.
- Reading sector reports and data and other external information to determine if it provided corroborative or contradictory evidence in relation to management's assumptions;
- Comparing forecasted income to recent historical financial information;
- Testing the underlying data generated to prepare the forecast scenarios and determined whether there was adequate support for the assumptions underlying the forecast; and
- Evaluating the charitable company's disclosures on going concern against the requirements of United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006.

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 charitable company'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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the charity's activities and sector, control environment and financial performance;
- Enquiring of management and the trustees, including obtaining and reviewing supporting documentation, concerning the charitable company's policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team and involving relevant internal specialists, including tax, and charity specialists (where relevant) regarding how and where fraud might occur in the financial statements and any potential indicators of fraud; and
- Obtaining and understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on those laws and regulations that had a direct effect on the financial statements, such as provisions of the UK Companies Act, charity legislation and tax legislation or that had a fundamental effect on the operations of the charitable company; including General Data Protection requirements, anti-bribery and corruption policy.

Audit response to risks identified

As a result of performing the above, we identified various provisions of the the Charities Act and the Charity Commission guidance as key audit matters related to non-compliance with laws and regulations and the receipt of donations and the making of grants as key audit matters related to the potential risk of fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

In addition to the above, our procedures to respond to risks identified include the following:

- Review of the financial statement disclosures and testing to support documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, the trustees and in-house and external legal counsel where relevant concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and

- Reading minutes of meetings of those charged with governance, reviewing internal reports where relevant and correspondence.
- Reviewing compliance with relevant charity legislation.
- Reviewing and testing the receipt of donations.
- Reviewing and testing the making of grants.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of the charity for any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to an indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 purpose 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 our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Phillip Harris BA FCA (Senior Statutory Auditor)

for and on behalf of Harris & Co (Accountants) Ltd, Statutory Auditor

2 Pavilion Court

600 Pavilion Drive

Northampton

NN4 7SL

Date: 15/9/21

Harris and Co Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The PSP Association Statement Financial Activities for the year ending 31 December 2020

| | | Unrestricted | Restricted | Total funds | Total funds |
|---|------|------------------|-----------------|------------------|------------------|
| | Note | Funds | Funds | 2020 | 2019 |
| | | £ | £ | £ | £ |
| Income and endowments from: | | | | | |
| Donations and legacies | 3 | 769,480 | 90,095 | 859,575 | 1,236,833 |
| Charitable activities | 4 | 2,550 | 6,990 | 9,540 | 8,860 |
| Other trading activities | | 13,416 | - | 13,416 | 19,247 |
| Investments | | 2,269 | - | 2,269 | - |
| Other | | 39,409 | - | 39,409 | - |
| Total | | 827,124 | 97,085 | 924,209 | 1,264,940 |
| Expenditure on: | | | | | |
| Raising Funds | | 243,471 | - | 243,471 | 337,331 |
| Charitable activities | 5 | 461,534 | 168,297 | 629,831 | 556,330 |
| Other | | 73,697 | - | 73,697 | 118,553 |
| Total | | 778,702 | 168,297 | 946,999 | 1,012,214 |
| Net income/(expenditure) | | 48,422 | (71,212) | (22,790) | 252,726 |
| Transfers between funds | | - | - | - | - |
| Other recognised gains/(losses): | | - | - | - | - |
| Net movement in funds | | 48,422 | (71,212) | (22,790) | 252,726 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 969,437 | 114,503 | 1,083,940 | 831,214 |
| Total funds carried forward | | 1,017,859 | 43,291 | 1,061,150 | 1,083,940 |

The statement of financial activities includes all gain and losses recognised in the year.

All income and expenditure above amounts relate to continuing activities.

The notes on pages 24-33 form part of these financial statements.

The PSP Association Balance Sheet as at 31 December 2020

| | Note | 2020 £ | 2019 £ |
|--|------|------------------|------------------|
| Fixed assets: | | | |
| Tangible assets | 13 | 10,236 | 16,016 |
| Investments | 14 | 100 | 100 |
| <i>Total fixed assets</i> | | 10,336 | 16,116 |
| Current assets: | | | |
| Debtors | 15 | 5,487 | 14,066 |
| Cash at bank and in hand | | 1,216,074 | 1,272,917 |
| <i>Total current assets</i> | | 1,221,561 | 1,286,983 |
| Liabilities: | | | |
| Creditors: Amounts falling due within one year | 16 | (170,747) | (219,159) |
| <i>Net current assets or liabilities</i> | | 1,050,814 | 1,067,824 |
| <i>Total assets less current liabilities</i> | | 1,061,150 | 1,083,940 |
| Total net assets or liabilities | | 1,061,150 | 831,214 |
| The funds of the charity: | | | |
| Restricted income funds | 17 | 43,291 | 114,503 |
| Unrestricted funds | 17 | 43,291 | 114,503 |
| <i>Total unrestricted funds</i> | | 1,017,859 | 969,437 |
| Total charity funds | | 1,061,150 | 1,083,940 |

The trustees have prepared these accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provision of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 24-33 form part of these financial statements.



Rowena Ironside



Paul Inness

Trustees on behalf of the trustees

Approved by the trustees on 14 September 2021

The PSP Association Statement of Cash Flows for the year ending 31 December 2020

| | Note | 2020 £ | 2019 £ |
|---|------|------------------|------------------|
| Cash flows from operating activities: | | | |
| <i>Net cash provided by (in use) operating activities</i> | 21 | <u>(58,552)</u> | <u>153,499</u> |
| Application of cash: | | | |
| Dividends, interest and rents from investments | | 2,269 | - |
| Proceeds from sale of property, plant and equipment | | - | 441,071 |
| Purchases of property, plant and equipment | 13 | <u>(560)</u> | <u>(5,746)</u> |
| <i>Net cash provided by (in use) investing activities</i> | | <u>1,709</u> | <u>435,325</u> |
| Cash flows from financing activities: | | <u>-</u> | <u>-</u> |
| Change in cash and cash equivalents in the reporting period | | (56,843) | 588,824 |
| Cash at bank and in hand less overdrafts at the beginning of the year | 21 | 1,272,917 | 684,093 |
| Change in cash and cash equivalents due to exchange rate movements | | - | - |
| Cash at bank and in hand less overdrafts at year end | 21 | <u>1,216,074</u> | <u>1,272,917</u> |

The notes on pages 24-33 form part of these financial statements.

These financial statements were approved by the members of the committee on the
14 September 2021 and are signed on their behalf by:



Trustee Director

15 Sep 2021

Notes to the accounts

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The PSP Association meets the definition of a public benefit entity under FRS 102. Assets and Liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

The Association reported a cash outflow of £58,552 for the year. The trustees are of the view that based on the budgeted cash flow forecast, the charity will have available liquid funds to settle debts as they fall due beyond the next accounting period.

c) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, 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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised for more information about their contribution refer to the trustees' annual report.

On receipt, donated professional services and donated facilities 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 facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds comprise all costs attributed to the fund raising activities undertaken, including support costs.

Expenditure on charitable activities includes the costs information and support events and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.
Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Tangible fixed assets

Tangible fixed assets are recorded at cost, including incidental costs of acquiring the asset.

Depreciation is provided so as to write off the cost of the fixed asset, less its estimated residual value, over their expected useful lives using the following basis:

| | |
|--|-------------------|
| Leasehold improvements | 20% straight line |
| Fixtures and fittings (electrical equipment) | 20% straight line |
| Computer software & equipment | 33% straight line |

i) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

l) Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis as they arise.

m) Grants

Grants are split between current, non-current liabilities and commitments. The provision for a multi-year grant is recognised at its actual value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions that would permit the charity to avoid making the future payment(s) and settlement is probable. The effect of discounting has been reviewed and is considered immaterial in both current and prior year ends.

2. Legal status of the Association

The Association is a company limited by guarantee and has no share capital.

3. Income from donations and legacies

Income from donations and legacies was £859,575 (2019: £1,236,833) of which £90,095 (2019: £226,681) was restricted.

| | Unrestricted 2020 £ | Restricted 2020 £ | 2020 £ | 2019 £ |
|----------------------------|---------------------------|-------------------------|----------------|------------------|
| Voluntary fundraising | 172,648 | 696 | 173,344 | 466,923 |
| Legacies | 154,963 | - | 154,963 | 111,622 |
| Trust and Foundation | 10,690 | 38,250 | 48,940 | 142,821 |
| In Memorium | 160,625 | 15,977 | 176,602 | 183,059 |
| Personal donations | 74,181 | 116 | 74,297 | 62,453 |
| Direct mail | 37,421 | - | 37,421 | 50,794 |
| Unsolicited donations | 75,202 | 1,287 | 76,489 | 92,408 |
| Major donors | 52,345 | 28,769 | 81,114 | 87,665 |
| Corporate | 31,405 | 5,000 | 36,405 | 14,683 |
| Tax reclaimed on donations | - | - | - | 24,405 |
| | <u>769,480</u> | <u>90,095</u> | <u>859,575</u> | <u>1,236,833</u> |

The Association benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

4. Income from Charitable Activities

| | Unrestricted 2020 £ | Restricted 2020 £ | Total 2020 £ | 2019 £ |
|-----------------------------|---------------------------|-------------------------|--------------------|--------------|
| Service Provision | 2,550 | - | 2,550 | 8,860 |
| Government Grant - Scotland | - | 6,990 | 6,990 | - |
| | <u>2,550</u> | <u>6,990</u> | <u>9,540</u> | <u>8,860</u> |

5. Analysis of expenditure on charitable activities

| Unrestricted Funds | Research activities £ | Info & Support costs £ | Volunteering costs £ | Total 2020 £ | Total 2019 £ |
|----------------------------------|-----------------------------|------------------------------|----------------------------|--------------------|--------------------|
| Wages & salaries | 85,837 | 282,192 | - | 368,029 | 227,564 |
| Awareness | 11 | 41,289 | 1,911 | 43,211 | 68,369 |
| Purchases | 1,392 | 1,787 | 1,542 | 4,721 | 42,224 |
| Other grant making activities | - | 173 | - | 173 | - |
| Research grant making activities | 12,706 | - | - | 12,706 | - |
| Consultancy Fees | - | - | - | 0 | 30,641 |
| Facilities & infrastructure | 2,582 | 20,587 | - | 23,169 | 27,125 |
| IT & communications | 891 | 6,133 | 485 | 7,509 | 23,525 |
| Bank charges & interest | 10 | 80 | - | 90 | 1,991 |
| Insurance | 963 | 963 | - | 1,926 | 3,003 |
| | <u>104,392</u> | <u>353,204</u> | <u>3,938</u> | <u>461,534</u> | <u>424,442</u> |

| Restricted Funds | Research activities £ | Info & Support costs £ | Volunteering costs £ | Total 2020 £ | Total 2019 £ |
|----------------------------------|--------------------------|---------------------------|-------------------------|-----------------|-----------------|
| Wages & salaries | - | 30,795 | - | 30,795 | 67,660 |
| Awareness | - | 1,287 | - | 1,287 | 4,788 |
| Purchases | - | 2,621 | - | 2,621 | 27,888 |
| Other grant making activities | - | 850 | - | 850 | - |
| Research grant making activities | <u>132,744</u> | <u>-</u> | <u>-</u> | <u>132,744</u> | <u>31,552</u> |
| | <u>132,744</u> | <u>35,553</u> | <u>-</u> | <u>168,297</u> | <u>131,888</u> |

6. Grant making activities

Research grants were awarded by the research committee to fund research projects that have been approved by peer review. No new research awards were made in the year to 31 December 2020.

Analysis of grants paid :

| | Dec-20 £ | Dec-19 £ |
|---|-----------------------|----------------------|
| Research Grants | 145,450 | 31,552 |
| Support Grants | <u>1,023</u> | <u>-</u> |
| | <u>146,473</u> | <u>31,552</u> |
| Grants to institutions | | |
| University College London | 141,581 | (37,450) |
| University of Cambridge | 1,992 | 49,482 |
| University of Aberdeen (Chief Scientific Office Scotland joint award) | 1,877 | 19,490 |
| Research Grants | <u>145,450</u> | <u>31,522</u> |
| Support Grants to individuals | <u>1,023</u> | <u>-</u> |

Research grants are generally paid quarterly in arrears. Grants can be awarded for a period of up to five years, each grant is different. For administrative reasons it can take some time for the grantee to appoint suitable staff and consequently some grants may remain partly unpaid at year end; consequently, there may be an adjustment in a subsequent period in this respect. It is generally accepted that the grant is taken up within twelve months of the award date; allowances can be made on approval by the Research Committee and Trustees.

In addition to the expenditure recognised in the accounts, the charity has outstanding commitments to fund Prospect and the Sarah Koe Clinical Research fellowship; full payment of which is contingent on the outcome of annual reviews and therefore only 12 months of liability has been recognised at the year end.

Commitments Research

| | Dec-20 £ | Dec-19 £ |
|------------------------------|-----------------------|-----------------------|
| Payable within one year | 193,918 | 194,236 |
| Payable in years two to five | <u>230,681</u> | <u>376,343</u> |
| | <u>424,599</u> | <u>570,579</u> |

7. Net income/(expenditure) for the year

This is after charging

| | Dec-20 £ | Dec-19 £ |
|--|-------------|-------------|
| Depreciation | 6,340 | 6,345 |
| Loss on disposal of property | - | 41,701 |
| Operating lease rental | 12,000 | 12,000 |
| Auditors' remuneration: - audit of the financial statements | 2,600 | 2,400 |

8. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

One employee had remuneration (excluding employer pension costs) in excess of £60,000 (2019: 1). The charity trustees and key management received no personal remuneration benefits during the year (2019: £nil). No charity trustees received payment for professional or other services supplied to the charity (2019: £nil).

Total staff costs were as follows:

| | Dec-20 £ | Dec-19 £ |
|-----------------------|----------------|----------------|
| Salaries and wages | 505,849 | 442,612 |
| Holiday pay accrual | 22,190 | - |
| Social security costs | 46,749 | 44,717 |
| Pension contributions | 13,563 | 9,142 |
| | <u>588,351</u> | <u>496,471</u> |

No termination payments were paid in year (2019: £11,000).

No Trustees were reimbursed expenses during the year (2019: £0).

9. Staff numbers

The average number of employees during the period, calculated on the basis of full-time equivalents, was as follows:

| | Dec-20 No. | Dec-19 No. |
|--------------------------------|---------------|---------------|
| Number of administrative staff | 12 | 12 |
| Number of management staff | 2 | 2 |
| | <u>14</u> | <u>14</u> |

10. Pension Costs

The charity makes contributions for employees to a group personal pension plan. This is a defined contribution scheme administered by Royal London.

11. Related party transactions

Due to the nature of the charity's operations and the composition of the board of trustees, it is possible that transactions may take place with organisations in which a trustee may have an interest, including the awarding of research grants (see note 6). All grant transactions involving organisations in which a trustee may have an interest are conducted following a strict grant approval process which includes external peer review of applications and the exclusion of any related party trustee from any decision making. Professor Rowe is a named Principal investigator on one such grant held by the University of Cambridge.

Donations totalling £1,335 were received from Trustees during the year (2019: £540) and sales valued at £31 (2019: £72) of Christmas cards were made to members of the Board.

There were no other related party transactions during the year.

12. Corporation 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.

13. Tangible fixed assets

| | Leasehold Improvements £ | Computer Equipment £ | Fixtures & Fittings £ | Total £ |
|-------------------------|--------------------------------|----------------------------|-----------------------------|---------------|
| COST | | | | |
| At 1 January 2020 | 2,958 | 33,956 | 17,439 | 54,351 |
| Additions | - | 560 | - | 560 |
| Disposals | - | (15,621) | (493) | (16,114) |
| At 31 December 2020 | <u>2,958</u> | <u>18,895</u> | <u>16,946</u> | <u>38,797</u> |
| DEPRECIATION | | | | |
| At 1 January 2020 | 1,183 | 30,123 | 7,029 | 38,335 |
| Charge for the year | 588 | 2,368 | 3,384 | 6,340 |
| Eliminated on disposals | - | (15,621) | (493) | (16,114) |
| At 31 December 2020 | <u>1,771</u> | <u>16,870</u> | <u>9,920</u> | <u>28,561</u> |
| NET BOOK VALUE | | | | |
| At 31 December 2020 | <u>1,187</u> | <u>2,025</u> | <u>7,026</u> | <u>10,236</u> |
| At 31 December 2019 | <u>1,774</u> | <u>3,832</u> | <u>10,409</u> | <u>16,015</u> |

14. Investments

| | Subsidiary undertakings shares £ |
|--|--|
| COST | |
| At 1 January 2020 | 100 |
| Additions | - |
| At 31 December 2020 | <u>100</u> |
| Provision for Diminution in value | |
| At 1 January 2020 | 0 |
| Charge for the year | - |
| At 31 December 2020 | <u>0</u> |
| NET BOOK VALUE | |
| At 31 December 2020 | <u>100</u> |
| At 31 December 2019 | <u>100</u> |

14.1 Holdings of 20% or more

The company holds 20% or more of the following companies:

| Subsidiary undertaking | Country of incorporation | Nature of Business | Shares held class | Proportion of voting reights and shares held |
|--|--------------------------|--------------------|-------------------|--|
| The PSPA Trading Company Ltd (Co. Reg. No. 09030995) | England | Dormant | Ordinary | 100% |

The aggregate amount of capital and reserves and the results of that undertaking for the last relevant financial year were as follows:

| | Capital and Reserves | Profit/Loss on Ordinary activities before taxation for the year £nil |
|--------------------------|----------------------|---|
| The PSPA Trading Company | £100 | |

15. Debtors

| | Dec-20 £ | Dec-19 £ |
|--------------------------------|--------------|---------------|
| Prepayments and accrued income | <u>5,487</u> | <u>14,067</u> |
| | <u>5,487</u> | <u>14,067</u> |

16. Creditors: amounts falling due within one year

| | Dec-20 | Dec-19 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Taxation and social security | 13,181 | 13,886 |
| Payroll creditor | 22,190 | - |
| Pension creditor | 2,275 | 2,216 |
| Trade creditors | 91,125 | 63,563 |
| Accruals | 4,236 | 3,749 |
| Deferred Income | 6,700 | - |
| Research accrual | 31,040 | 135,745 |
| | <u>170,747</u> | <u>219,159</u> |

17. Analysis of charitable funds

| | Balance 1 January 2020 | Incoming resources | Resources expended | Funds 31 December 2020 |
|--------------|------------------------------|-----------------------|-----------------------|---------------------------------|
| General fund | <u>969,437</u> | <u>827,124</u> | <u>(778,702)</u> | <u>1,017,859</u> |

Analysis of movement in restricted funds

| | | | | |
|----------------------------|----------------|---------------|------------------|---------------|
| Research | 73,726 | 59,018 | (132,744) | - |
| Information & Support | 39,058 | 36,904 | (35,553) | 40,409 |
| Volunteering | <u>1,719</u> | <u>1,163</u> | <u>-</u> | <u>2,882</u> |
| Sub total restricted funds | <u>114,503</u> | <u>97,085</u> | <u>(168,297)</u> | <u>43,291</u> |

Analysis of net assets between funds:

| | General Fund | Restricted Funds | Total |
|--------------------------|------------------|---------------------|------------------|
| | £ | £ | £ |
| Tangible fixed assets | 10,336 | - | 10,336 |
| Cash at bank and in hand | 1,172,783 | 43,291 | 1,216,074 |
| Other net current assets | <u>(165,260)</u> | <u>-</u> | <u>(165,260)</u> |
| Total | <u>1,017,859</u> | <u>43,291</u> | <u>1,061,150</u> |

18. Contingent assets

Legacy income

As at 31 December 2020 the charity had received two notifications of legacies (2019: two)

19.Reconciliation of net movement in funds to net cash flow from operating activities

| | 2020 | 2019 |
|--|-----------------|----------------|
| | £ | £ |
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | (22,790) | 252,726 |
| Adjustments for: | | |
| Depreciation charges | 6,340 | 6,345 |
| Dividends, interest and rents from investments | (2,269) | - |
| Loss on Disposal of property | - | 41,701 |
| (Increase)/decrease in debtors | 8,579 | 40,021 |
| Increase/(decrease) in creditors | (48,412) | (187,294) |
| Net cash provided by (used in) operating activities | (58,552) | 153,499 |

20.Analysis of cash and cash equivalents

| | £ | £ |
|--|------------------|------------------|
| Cash in hand | 1,216,074 | 1,272,917 |
| Total cash and cash equivalents | 1,216,074 | 1,347,917 |

21.Operating Leases

Total Rentals payable under operating leases:

| | Land and Buildings | 2020 Total | 2019 |
|--|--------------------|--------------|---------------|
| | £ | £ | £ |
| Payable during the year | 12,000 | 12,000 | 12,000 |
| Future minimum lease payments due | | | |
| Not later than 1 year | 3,000 | 3,000 | 12,000 |
| Later than 1 year and not later than 5 years | - | - | 3,000 |
| Total Payments | 3,000 | 3,000 | 15,000 |

22.Indemnity insurance

The Charity paid for the insurance premiums to indemnify Directors and senior staff from any loss arising from neglect or defaults of Directors or staff and any consequent loss. The cost to the Charity was £963 (2018: £802).

