

**BRAINS
MATTER
CHARITY**

**33rd
ANNUAL
REPORT &
ACCOUNTS**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

A Company Limited by Guarantee
Registered in England No **3380601**

Registered Charity No **1062884**

**BRAINS MATTER CHARITY
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

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**BRAINS MATTER CHARITY
REFERENCE AND ADMINISTRATIVE DETAILS
YEAR ENDED 31 DECEMBER 2020**

PATRON

Chloë Teacher

VICE PATRONS

Tony Adams MBE
Greg Clark MP
John Davies
Pam Munro MBE
Professor Michael Oddy

PRESIDENT

Judy Horwood

BOARD OF TRUSTEES

Joanna Clark-Wilson
Jacqueline Barker
Astrid Clifford
Edward Fardell
Erika Johnson
Gillian Leandro
Susan Pearce
Janet Williamson

Chairman

COMPANY SECRETARY

Edward Fardell

KEY MANAGEMENT PERSONNEL

Tracey Parry

Service Manager

PROFESSIONAL ADVISERS

Bankers:

CAF Bank
25 Kings Hill Avenue
West Malling
Kent
ME19 4TA

Independent Examiner:

Foot Davson Ltd
Chartered Accountants
17 Church Road
Tunbridge Wells
Kent
TN1 1LG

Investment Advisors

Smith & Williamson
25 Moorgate
London
EC2R 6AY

CENTRE & REGISTERED OFFICE

3 Culverden Park
Tunbridge Wells
Kent
TN4 9QT

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**BRAINS MATTER CHARITY
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

The trustees, who are also the directors of the Charity for the purpose of the Companies Act, present their report and the independently examined accounts for the year ended 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

Objectives

The Charity's objectives as set out in the Memorandum of Association are to:

- Advance, promote and assist in the rehabilitation of persons who have suffered head injuries resulting in brain damage and who reside in the area at which the Charity's activities are targeted (as determined by the Charity from time to time), by the provision of such services and facilities as may from time to time be determined by it;
- Support, inform and guide carers and families of people who have suffered head injuries; and
- Maintain, develop and manage a Centre to assist with the rehabilitation of head-injured persons and to co-operate with any other bodies in the maintenance and management of such a Centre for the carrying on of all such activities as may be promoted by the Charity in furtherance of its objects.

The Charity also has the general aim to support preventative measures to reduce the incidence and severity of brain injury.

Activities

To achieve these objectives the Charity carries out the following activities:

- Communicates the range of the Charity's services to local authorities, healthcare providers and the general public;
- Provides Centre based services for those living with brain injury, their families and carers;
- Provides Drop In services for those living with brain injury, their families and carers;
- Provides a Buddy service within the community;
- Identifies a range of appropriate activities that meet the needs of its service users, their families and carers;
- Undertakes fundraising activities to generate income to meet the Charity's objectives; and
- Ensures that all staff and volunteers receive the training and support necessary in their work.

The Centre based service is provided in Tunbridge Wells, three days a week. The Charity receives payments from KCC, who pay a portion of the daily costs for individual users. Fees are also received from private users

The Charity has provided Drop In centres based in Sevenoaks, Maidstone and Tunbridge Wells.

The Charity has a Community Wellbeing Service, which has provided valuable support to those requiring the additional help of a Buddy.

Public benefit

The specialist requirements for assisting children preclude the Charity from providing services to children with brain injury under the age of eighteen. Otherwise, the Charity's services are available to all people with brain injury, subject to an assessment of need, regardless of race, gender, religion, ethnicity or social grouping.

The trustees confirm that they have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims, objectives and operations. They are satisfied that the provision of services ensures that the public benefit requirements are fully met.

**BRAINS MATTER CHARITY
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

2020 was a difficult year for everyone. Covid-19 suddenly precluded clients being supported at the Centre and face-to-face support from Buddies and in the drop-in centres from March 2020. Fundraising and other income generating activities have also not been possible.

Brains Matter staff were aware of the vulnerability some of the clients faced when the Centre had to close and there were changes to everyday lifestyles. The small, but dedicated team at Brains Matter, were able to continue to support all clients throughout the year. This was achieved through telephone calls, letters, emails, face to face video calls and the popular, virtual zoom groups, which took place three days per week. The group sessions continued to be a place where clients felt safe, connected to each other and part of a team. Lots of laughter, discussions, daily topics and many quizzes and games took place during these sessions.

The staff continued to undertake individual risk assessments for each client. These were to ensure any difficulties or issues were highlighted and acted on accordingly. If any concerns were raised the team were able to address the issues or signpost to the relevant agencies, for example safeguarding, domiciliary care requirements, social care support or medical support.

During the year the charity introduced the production of quarterly newsletters. These newsletters allowed the organisation to remain in contact with all stakeholders, to ensure everyone was kept updated. They included articles on services provided by the charity and other local and national organisations. The newsletters also offered the clients the opportunity to share their stories, pictures and poems.

Staff

A new Service Manager, Tracey Parry, was appointed in May 2020. After undertaking a period of induction, priority was given to the issues effecting services during the pandemic. This work included regularly assessing Government guidelines and sourcing information from the Health and Safety Executive, the World Health Organisation, Public Health, NVCO, Kent County Council, local and national businesses, and other third sector organisations. Full risk assessments were completed for all Brains Matter services, staff and clients. Assessments included infection control, capacity, safety, costs and recommended safety precautions. The results of which were analysed and information was gathered to ensure services offered to clients would be safe and reduce the risk of virus transmission.

Lisa-Rae Brough, Activities Coordinator, started work at the beginning of the year, just before the pandemic, and suddenly had to adapt the programme to online activities.

A monthly monitoring tool was introduced which allowed staff to record the ongoing support offered to clients. The tool also includes feedback, comments, complaints and commendations from clients, carers (family) and professionals. This will help the charity and give the organisation the opportunity to garner important information for future use and funding opportunities.

After a period of review recommendations were made in regard to some of the charity's procedures. Following on from this a suite of policies were created and updated. Brains Matter contracted an external Human Resources company who will continue to provide support, up to date policies and procedures, and ensure the charity complies with current legislation.

Trustees

The skillsets of the Trustees have been reviewed to establish what is best needed for the Charity to develop.

New Trustees were appointed to the Board, so overall the Board has a wealth of experience and knowledge in brain injury and in charity processes and governance.

The Board of Trustees continued to meet monthly throughout the year.

**BRAINS MATTER CHARITY
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

FINANCIAL REVIEW

Balance sheet

At 31 December 2020 the Charity had total reserves of £753,850 as detailed in note 19 to the accounts. This includes the investment fund of £126,614 which has increased because the charity benefited from a revaluation surplus of £1,264. The premises at 3 Culverden Park have a net book value of £539,294 and are owned outright.

S.O.F.A.

For the year ended 31 December 2020 the Charity had a net deficit of £60,358 before gains on investments and £59,094 after gains on investments.

The Charity's existing core activities providing the day services (including the Drop In services) and an information/support service generated £53,373 in fee income and incurred £123,394 in associated unrestricted expenditure. This resulted in a deficit of £70,021 which was partially covered by fundraising income and the Wellbeing Support surplus, with the balance funded from reserves.

The Wellbeing Support (Buddy) activity generated £26,379 income during the year and incurred £22,731 in associated unrestricted expenditure. This resulted in a surplus of £3,648.

Donations and legacies of £25,521 included a Government support grant of £10,000 to help mitigate the impact of Covid-19.

Investment policy

The Charity seeks to invest its resources prudently, with low risk, to generate both income and capital growth whilst retaining an element of liquidity. It continues to be advised by Smith & Williamson. In view of the economic circumstances the trustees consider the yield on the investment fund of 2.7% of market value this year (3.2% of original cost) to be satisfactory.

Reserves policy

Note 21 to the accounts show the assets and liabilities attributable to the various funds. Unrestricted funds not designated for the new property fund amounted to £81,674 of which £79,461 is freely available with the balance invested in fixed assets. This equates to approximate four months running costs.

The trustees' reserves policy is reviewed on an annual basis and aims to maintain unrestricted funds at a level to allow sufficient liquidity for normal operations, to support the development of services and activities provided by the Charity and provide for a reasonable sum for contingencies. The reserve position is considered alongside the Charity's annual budget and forecast cash flow requirements.

The strong reserve position has allowed the Charity to continue to support services throughout this difficult year. These services are of great value to the clients and are considered a vital part of the service provided by the Charity, and the Trustees have agreed to continue to fund the deficit arising from the Charity's reserves. This is especially important in light of the continued impact of Covid-19 and the loss in fundraising and other income the Charity would usually generate. The reserves will also be used to fund any additional costs that may be incurred making the centre 'Covid-safe' and acquiring safety equipment for the staff.

The Trustees are also currently reviewing the services offered by the Charity and may potentially look to expand these and the reserve level will allow the investment of funds into new services should this be considered beneficial.

Overall, the trustees are satisfied that the current level of reserves is adequate to support the Charity's aims and objectives and will continue to monitor the position on a monthly basis.

PLANS FOR FUTURE PERIODS

It is hoped the charity will enhance its current services to more clients and will include additional specialist services.

**BRAINS MATTER CHARITY
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

PLANS FOR FUTURE PERIODS (continued)

It is planned that professional partnerships will be established and referral pathways devised, this will help raise awareness of the organisation and allow and encourage more people to receive support from Brains Matter Charity.

The Charity remains financially robust, notwithstanding the deficit for the year, and the reserves position remains strong. The surplus reserves are considered sufficient to support the Charity over the coming 12 months and it is hoped with the potential easing of restrictions that the Charity can increase its activities and income levels once more.

The ongoing financial position is monitored monthly to allow for any potential issues to be identified and actions put in place to ensure the future operations of the Charity can continue.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Brains Matter Charity is a company limited by guarantee governed by its Memorandum and Articles of Association dated 3 June 1997 as amended by special resolutions dated 2 July 2012 and 15 May 2017. It is registered as a charity with the Charity Commission, number 1062884.

Appointment of Trustees

The President, Chairman, Treasurer, Company Secretary and other trustees are elected by the members at the Annual General Meeting and serve until the conclusion of the following Annual General meeting. As part of the selection process, due consideration is given to the individual's personal knowledge and the experience they would bring to the governing body.

The Charity complies with the requirements of the Charity Commission for governance. This includes the induction and training of trustees, staff and volunteers.

Trustees

The trustees who served during the period and up to the date of approval of this report were as follows:

Joanna Clark-Wilson		Chairman
Jacqueline Barker		Treasurer
Astrid Clifford		
Edward Fardell	(appointed 16.11.20)	Secretary
Helen Goddard	(resigned 14.09.20)	
Erika Johnson		
Martin Johnson	(resigned 16.01.20)	
Gillian Leandro		
Diana Morton	(resigned 11.01.21)	
Susan Pearce		
Lynne Powrie	(appointed 16.11.20, resigned 28.05.21)	
Deborah Smith	(appointed 11.01.21, resigned 28.05.21)	
Jennifer Waight	(resigned 15.02.21)	
Janet Williamson		

Organisation

The board of trustees, which can have up to 12 members, administers the Charity. The trustees meet regularly to manage its affairs. The day to day administration of the Charity is delegated to the Service Manager.

Risk management

The trustees have examined the major risks to which the charity is exposed and have developed systems to mitigate any impact they may have on the charity's future. It is recognised that no system can give an absolute assurance against major risks.

**BRAINS MATTER CHARITY
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Charity trustees (who are also directors of Brains Matter Charity for the purposes of company law) are responsible for preparing a trustees' annual report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial 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 the income and expenditure, of the charitable company for that year. 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company 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 accounts may differ from legislation in other jurisdictions.

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

- there is no relevant information of which the charitable company's independent examiner is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

On behalf of the Board,



Joanna Clark-Wilson
Chairman
Date: 21 June 2021

**BRAINS MATTER CHARITY (FORMERLY HEADWAY IN WEST KENT)
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BRAINS MATTER CHARITY
YEAR ENDED 31 DECEMBER 2020**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2020 which are set out on pages 8 to 19.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tina Clay BA FCA
For and on behalf of
Foot Davson Ltd
Chartered Accountants

17 Church Road
Tunbridge Wells
Kent
TN1 1LG

Date: 27 July 2021

BRAINS MATTER CHARITY
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Income:							
Donations and legacies	3	25,494	27	25,521	129,725	1,200	130,925
Charitable activities:							
Day services	4	53,573	-	53,573	59,554	-	59,554
Wellbeing support	4	26,379	-	26,379	18,803	-	18,803
Other trading activities	5	523	-	523	9,780	-	9,780
Investment income	6	3,966	-	3,966	4,209	-	4,209
Total income		109,935	27	109,962	222,071	1,200	223,271
Expenditure:							
Raising funds:							
Fundraising and publicity	7	15,483	-	15,483	16,739	2,209	18,948
Charitable activities:							
Day services	8	123,394	8,712	132,106	132,331	10,886	143,217
Wellbeing support	8	22,731	-	22,731	29,653	-	29,653
Total expenditure		161,608	8,712	170,320	178,723	13,095	191,818
Net income/(expenditure) before gains and losses on investments		(51,673)	(8,685)	(60,358)	43,348	(11,895)	31,453
Net (losses)/gains on investments		1,264	-	1,264	12,043	-	12,043
Net income/(expenditure) for the year	10	(50,409)	(8,685)	(59,094)	55,391	(11,895)	43,496
Transfers between funds	20	-	-	-	-	-	-
Net movement in funds		(50,409)	(8,685)	(59,094)	55,391	(11,895)	43,496
Reconciliation of funds:							
Total funds at 1 January 2020		511,417	301,527	812,944	456,026	313,422	769,448
Total funds at 31 December 2020		461,008	292,842	753,850	511,417	301,527	812,944

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

The notes on pages 10 to 19 form part of these accounts.

**BRAINS MATTER CHARITY
BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	15	542,259	556,541
Investments	16	<u>126,614</u>	<u>125,955</u>
		668,873	682,496
Current assets			
Debtors	17	7,737	9,055
Cash at bank and in hand		<u>83,789</u>	<u>127,886</u>
		91,526	136,941
Creditors			
Amounts falling due within one year	18	(6,549)	(6,493)
Net current assets		<u>84,977</u>	<u>130,448</u>
Net assets		<u><u>753,850</u></u>	<u><u>812,944</u></u>
Funds			
Unrestricted funds:			
General fund	19	81,674	126,310
Designated funds	19	<u>379,334</u>	<u>385,107</u>
	19	<u>461,008</u>	<u>511,417</u>
Restricted funds	19	292,842	301,527
Total funds		<u><u>753,850</u></u>	<u><u>812,944</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006, relating to small companies, for the year ended 31 December 2020.

The members have not required the charitable company to obtain an audit of its accounts for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the provisions of the Companies Act 2006 applicable to Companies subject to the small companies regime.

Approved by the Board of Trustees on 21 June 2021 and signed on its behalf:



Joanna Clark-Wilson
Chairman



Jacqueline Barker
Treasurer

The notes on pages 10 to 19 form part of these accounts.

Company No: 3380601

**BRAINS MATTER CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020**

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 of accounts

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Brains Matter Charity 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).

The charity has taken advantage of the exemption available under Charities SORP (FRS102) Second Edition released October 2019 and does not include a Statement of Cash Flows, on the grounds it is not deemed a large charity.

b) Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

c) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds include a designated investment fund representing the market value of investments and a designated new property fund representing the value of the charity's principal operating premises which was funded by the general fund.

Freehold depreciation is charged directly to the designated fund and an annual transfer is made between unrestricted funds and designated funds to account for investment purchases and sales.

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

d) Income

Income is recognised when the charity has entitlement to the funds; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earliest 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 executors to the charity that a distribution will be made; or when a distribution is received from the state. Receipt of a legacy, in whole or part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors 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.

BRAINS MATTER CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

d) Income (continued)

Grant or fee income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Donated assets 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 acquire the asset on the open market.

e) 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 a settlement will be required; and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Raising funds comprises the costs of organising fundraising events, investment management fees, salary costs and expenditure on marketing and publicity.

Charitable activities comprises the costs of the day centre and the buddying & drop in centres undertaken to further the purposes of the charity, including their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

f) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include accountancy fees and governance costs. The basis on which support costs are allocated is set out in Note 8.

g) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

h) Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives as follows:

Freehold land	Nil	
Freehold buildings	2%	straight line basis
Studio, grounds and gardens	25%	of written down value
Equipment	25%	of written down value

i) Quoted investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on the revaluations and disposals during the year.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

BRAINS MATTER CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

k) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

l) Creditors

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 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.

m) Pensions

The charity contributes to a defined contribution scheme for certain of its employees.

2 Legal status

Brains Matter Charity is a private company limited by guarantee, registered in England & Wales. It is registered as a charity with the Charity Commission, number 1062884. The company registration number, registered office and principal place of business are set out on Page 1 of this report & accounts and the governing document details are set out on Page 5 of the trustees' report.

3 Income from donations and legacies

	2020 £	2019 £
Friends subscriptions	505	1,026
Covid-19 Government support grant	10,000	-
Covid-19 job retention scheme	2,143	-
Donations for general purposes	12,846	18,249
Donations for specific purposes	27	1,200
Legacies	-	110,450
	<u>25,521</u>	<u>130,925</u>

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

	2020 £	2019 £
Day services		
Fees and other generated income	<u>53,573</u>	<u>59,554</u>
	<u>53,573</u>	<u>59,554</u>
Wellbeing support		
Fee and other generated income	<u>26,379</u>	<u>18,803</u>
	<u>26,379</u>	<u>18,803</u>
Total income from charitable activities	<u>79,952</u>	<u>78,357</u>

BRAINS MATTER CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

5 Income from other trading activities

	2020 £	2019 £
Fundraising events	243	6,585
Room and car park hire	230	3,139
Other trading income	50	56
	<u>523</u>	<u>9,780</u>

6 Investment income

	2020 £	2019 £
Income from quoted investments	3,351	3,659
Bank interest	615	550
	<u>3,966</u>	<u>4,209</u>

A detailed breakdown of income from quoted investments is shown in Note 20.

7 Fundraising and publicity expenditure

	2020 £	2019 £
Direct costs of fundraising events	245	5,451
Investment management fees	605	632
Salaries	13,769	11,519
Website maintenance	864	1,076
Other marketing and publicity	-	270
	<u>15,483</u>	<u>18,948</u>

8 Charitable activity expenditure

	Day services £	Wellbeing support £	2020 Total £	2019 Total £
Salaries	79,244	21,378	100,622	111,316
Other personnel costs	3,214	916	4,130	7,556
Premises	6,459	-	6,459	9,613
Insurance	3,973	-	3,973	3,444
Office	16,201	77	16,278	13,470
Legal & professional	500	-	500	511
Depreciation	15,861	-	15,861	16,421
Direct expenditure on beneficiaries	2,084	360	2,444	4,079
Support costs	1,810	-	1,810	1,720
Governance costs	2,760	-	2,760	4,740
	<u>132,106</u>	<u>22,731</u>	<u>154,837</u>	<u>172,870</u>

BRAINS MATTER CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

9 Analysis of support costs

	Basis of apportionment	General support £	Governance function £	2020 Total £
Independent examination fee	Governance	-	1,860	1,860
Accountancy services	Allocated by invoice	1,810	900	2,710
		<u>1,810</u>	<u>2,760</u>	<u>4,570</u>

10 Net income/(expenditure) for the year

	2020 £	2019 £
This is stated after charging:		
Depreciation	15,861	16,421
Operating leases - equipment	4,281	3,027
Independent examination fee	<u>1,860</u>	<u>2,040</u>

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

	2020 £	2019 £
Wages and salaries	104,430	110,219
Social security costs	2,969	5,015
Pension costs	5,228	6,072
Agency staff	<u>1,764</u>	<u>1,529</u>
	<u>114,391</u>	<u>122,835</u>

Pension costs are allocated between activities and between restricted and unrestricted funds in proportion to the related staff costs incurred. Retirement benefits are accruing under money purchase schemes for five members of staff. (2019: five).

None of the trustees have been paid any remuneration or received any other benefits during the year (2019 £Nil). No trustee received any expenses during the year. (2019 £Nil).

No employee had employee benefits in excess of £60,000 during the year (2019 Nil). The key management personnel of the charity comprise the trustees and initially the Acting Operations Manager who was replaced by the new Service Manager. The total employee benefits of the key management personnel were £32,947 (2019: £35,709).

12 Staff numbers

The average monthly head count was seven staff, comprising nil full time and seven part time employees. (2019: nil full time and seven part time employees). The number of full time equivalent employees was as follows:

	2020 No.	2019 No.
Day services	2	2
Wellbeing support	1	1
Management, administration and fundraising	<u>1</u>	<u>1</u>
	<u>4</u>	<u>4</u>

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13 Related parties

There were no related party transactions during the year. (2019 £Nil).

14 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

15 Tangible fixed assets

	Freehold Land & Buildings £	Equipment £	Total £
Cost or valuation			
At 1 January 2020	768,813	35,711	804,524
Additions	-	1,579	1,579
Disposals	-	-	-
At 31 December 2020	768,813	37,290	806,103
Depreciation			
At 1 January 2020	214,647	33,336	247,983
Charge for year	14,872	989	15,861
Released on disposal	-	-	-
At 31 December 2020	229,519	34,325	263,844
Net Book Value			
At 31 December 2020	539,294	2,965	542,259
At 31 December 2019	554,166	2,375	556,541

The Trustee's have estimated the original cost of the freehold land in 2008 as £42,000 which represented 10% of the purchase price.

16 Investments

	2020 £	2019 £
Listed investments at valuation		
At 1 January 2020	123,952	114,139
Additions	-	9,000
Disposals at opening book value	-	(10,693)
Net unrealised investment gains	1,264	11,506
	125,216	123,952
Other investments		
Balance held on deposit	1,398	2,003
At 31 December 2020	126,614	125,955

BRAINS MATTER CHARITY
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17 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	6,511	7,878
Other debtors	41	39
Prepayments	1,185	1,138
	<u>7,737</u>	<u>9,055</u>

18 Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	559	629
Social security and other taxes	2,061	1,949
Other creditors	979	835
Accruals	2,950	3,080
	<u>6,549</u>	<u>6,493</u>

Other creditors include pension contributions of £979 (2019 £835).

BRAINS MATTER CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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19 Movements in funds

	As at 01.01.20 £	Incoming Resources £	Resources Expended £	Investment Gains/ Losses & Transfers £	As at 31.12.20 £
Unrestricted Funds					
General fund	126,310	109,935	(155,176)	605	81,674
Designated investment fund	125,955	-	-	659	126,614
Designated new property fund	259,152	-	(6,432)	-	252,720
	<u>511,417</u>	<u>109,935</u>	<u>(161,608)</u>	<u>1,264</u>	<u>461,008</u>
Restricted Funds					
New premises fund	295,014	-	(8,440)	-	286,574
Equipment funds	1,001	-	(249)	-	752
Cash funds	5,512	27	(23)	-	5,516
	<u>301,527</u>	<u>27</u>	<u>(8,712)</u>	<u>-</u>	<u>292,842</u>
Total Funds	<u>812,944</u>	<u>109,962</u>	<u>(170,320)</u>	<u>1,264</u>	<u>753,850</u>

Analysis of Gains, Losses & Transfers

	Unrestricted Funds £	Designated Investment Fund £	Designated Property Fund £	Restricted Property Fund £	Total £
Investment capital	605	(605)	-	-	-
	<u>605</u>	<u>(605)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Gain on investment assets	-	1,264	-	-	1,264
	<u>605</u>	<u>659</u>	<u>-</u>	<u>-</u>	<u>1,264</u>

The Designated Investment Fund represents the valuation of investments.

The New Premises Fund was created in 2004 to finance the new premises at 3 Culverden Park.

The Equipment Fund comprises items of equipment donated for various purposes.

The Cash Fund consists of many gifts or grants which have been donated for various specific purposes.

BRAINS MATTER CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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20 Designated investment Fund

		Original Cost £	Market Value £	Income for Year £
UK fixed interest stocks				
Henderson Global Investors	Strategic Bond	5,050	5,502	169
Artemis Fund Managers	Corporate Bond	9,000	10,052	187
Jupiter Unit Trust Managers	Strategic Bond	4,963	4,979	156
Overseas index- linked				
CG Portfolio Real Return	Class A Shares	7,351	12,942	210
Alternative investments				
Third Point Offshore Inv.	NPV USD	4,101	5,432	-
3I Infrastructure	Ord NPV (Post Cons)	4,008	4,983	149
Link Fund Solutions	Capita Trojan X Dis	3,963	4,573	22
Artemis Fund Managers	Global Income Units	6,852	9,058	292
Fil Inv Svcs	Global Dividend W	9,838	14,220	447
UK investment & unit trusts				
Henderson High Inc. Trust	Ordinary 5p	4,346	5,909	398
Link Fund Solutions	Milton UK Multi Cap Inc	7,991	8,623	312
Majedie Asset Management	UK Income X	5,857	4,669	173
T Bailey Fund Services	TB Evenlode Income C	7,922	9,175	277
Investec Fund Manager Series	Series I UK Alpha J	4,923	5,521	102
Overseas equities				
Aviva Investors UK Svcs Ltd	US Equity Income	4,918	5,243	174
Blackrock Fund Managers	Contl Europe Inc D Units	2,988	3,606	91
Pacific Assets Trust	Ordinary 12.5p	4,912	7,211	68
Scroder Unit Trusts	Asian Income Z Inc	2,998	3,518	123
Total quoted investments		101,981	125,216	3,350
Balance held on deposit		1,398	1,398	1
Total value of investment fund		103,379	126,614	3,351

BRAINS MATTER CHARITY
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21 Analysis of net assets between funds

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Unrestricted Funds				
General fund	2,213	-	79,461	81,674
Designated investment fund	-	126,614	-	126,614
Designated new property fund	252,720	-	-	252,720
	<u>254,933</u>	<u>126,614</u>	<u>79,461</u>	<u>461,008</u>
Restricted Funds				
New premises fund	286,574	-	-	286,574
Equipment funds	752	-	-	752
Cash funds	-	-	5,516	5,516
	<u>287,326</u>	<u>-</u>	<u>5,516</u>	<u>292,842</u>
	<u>542,259</u>	<u>126,614</u>	<u>84,977</u>	<u>753,850</u>

22 Operating lease commitments

At the balance sheet date the charity had the following annual commitments under non-cancellable operating leases:

	2020 £	2019 £
Equipment lease expiring:		
Between two and five years	<u>4,281</u>	<u>4,281</u>

23 Capital commitments

At the balance sheet date the charity had capital commitments contracted for but not provided for of £Nil (2019: £Nil).

23 Post balance sheet events

An independent report was commissioned by the board to review the governance of the charity. This review currently remains ongoing and any relevant findings will be reported and acted on accordingly, once these become known and the report is finalised and released to the board.