

Company registration number: 04501975

Charity registration number: 1095695

The Multiple Sclerosis Therapy Centre (NW) Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

The Moffatts Partnership LLP
Chartered Accountants
Progress House
396 Wilmslow Road
Withington
Manchester
M20 3BN

The Multiple Sclerosis Therapy Centre (NW) Limited

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The Multiple Sclerosis Therapy Centre (NW) Limited

Reference and Administrative Details

Chairman A C Gilbody

Trustees A C Gilbody
M Clancy
S Uttley
B Simpson
R J Halsall
N D Tetteh
D G Hodgkinson

Secretary A C Gilbody

Principal Office The Corner House
Fourth Avenue
Trafford Park
Manchester
M17 1BP

The charity is incorporated in England.

The Multiple Sclerosis Therapy Centre (NW) Limited

Reference and Administrative Details

| | |
|------------------------------------|---|
| Company Registration Number | 04501975 |
| Charity Registration Number | 1095695 |
| Solicitors | North Ainley Halliwell 34 - 42 Clegg Street Oldham OL1 1PS |
| Bankers | HSBC Plc Village Way Trafford Park Manchester M17 1BP Barclays Bank PLC Manchester City Office 51 Mosley Street Manchester M2 3HQ Manchester Building Society 125 Portland Street Manchester M1 4QD Hampshire Trust Bank PO Box 74003 London EC2P 2QR Virgin Money Jubilee House Gosforth Newcastle upon Tyne NE3 4PL |
| Auditor | The Moffatts Partnership LLP Chartered Accountants Progress House 396 Wilmslow Road Withington Manchester M20 3BN |

The Multiple Sclerosis Therapy Centre (NW) Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2020.

Structure, governance and management

Nature of governing document

The Multiple Sclerosis Therapy Centre (NW) Limited is a company limited by guarantee and is a registered charity.

The charity is governed by its Memorandum and Articles of Association.

Recruitment and appointment of trustees

The trustees may appoint a person who is willing to act as a trustee either to fill a vacancy or as an additional trustee provided that the appointment does not cause the number of trustees to exceed any fixed number by or in accordance with the articles as the maximum number of trustees.

Induction and training of trustees

New trustees are provided with terms of reference and a pack of information relating to the constitution, governance and operation of the trust.

Organisational structure

The charity is managed by the Trustees Management Committee which comprises the company directors. The committee, which meets on a regular basis, sets the strategic direction of the charity, agree an annual budget, and monitors performance against the budget. Company directors are appointed by election at the Annual General Meeting each year. Certain functional responsibilities (e.g. personnel, finance, IT, therapies) have been delegated to sub committees, who report to the Trustees Management Committee on their activities. Day to day management of the Charity is delegated to the Centre Manager.

Major risks and management of those risks

General Risk

The Trustees have assessed the risks to which the charity is exposed.

The Trustees believe that by monitoring and maintaining reserves at the appropriate level and regularly reviewing controls in respect of financial systems, they have established effective systems to mitigate risks.

Objectives and activities

Objects and aims

The Charity's principle aim is to aid and improve the condition of all those suffering from multiple sclerosis by providing advice, guidance and moral and practical support to sufferers and their carers by arranging, providing and operating facilities for treatments to aid the management of the disease.

Objectives, strategies and activities

Significant activities include Physiotherapy Oxygen Therapy, Dietary Advice, Acupuncture, Massage, Reiki and Reflexology.

A more detailed review of the activities can be found in the Annual Operational Review, which can be obtained from the Centre.

The Multiple Sclerosis Therapy Centre (NW) Limited

Trustees' Report

Fundraising disclosures

Fundraising by the charity is controlled by the fundraising manager who is an employee. There are numerous ways that the charity manages to raise funds, which includes direct donations from the public and members of the charity, organised in store collections and street collections, sponsored events such as marathons and direct donations or gifts from trust funds that exist within the UK. The charity does not approach members of the public directly for fundraising but quite the opposite, it is common practice for the public to approach the charity to give donations.

The trustees confirm that they have complied with the requirements of the Charities (Protection and Social Investment) Act 2016 and have due regard to the fundraising guidance published by the Charity Commission for England and Wales.

Achievements and performance

After a promising start to 2020 the charity, like the rest of the world, was heavily affected by the Covid-19 pandemic. The trustees took measures to try and ensure the least amount of financial and social damage to the charity. During the year under review amongst all of the pandemic crisis the charity managed to secure pledges for some substantial donations toward the costs of the move to our new centre and it is with great relief that we can report that the trustees believe that future remains positive for the expansion of the charity with its move to new premises.

Public benefit

Activities undertaken by the charity are for the benefit of those suffering from multiple sclerosis and the general public.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The Trustees would like to acknowledge the continued and tremendous support of the many volunteers who continue to provide their time and skills, without which the Centre would not operate.

Going concern

The trustees have considered the potential implications of the Coronavirus pandemic. Whilst the eventual financial impact of the pandemic on the charity remains uncertain the trustees have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis on preparing its financial statements.

Financial review

The trustees consider that the financial performance for the year under review is expected in light of the pandemic and subsequent circumstances.

Donations from individuals have reduced in the current year with £52,837 received compared to £123,552 in 2019 due to the pandemic restrictions and the resulting centre closures. Fundraising income has also fallen significantly in the current year from £39,596 to £15,406 again due to the restrictions imposed by the pandemic. The charity has however received increased donations from other charities and trusts in response to the pandemic as well as government support and grants. Total income received from grants this year amount to £100,055.

Total incoming resources for the year amounted to £195,337 (2019 - £188,945).

Costs have reduced in the current year as a result of the various restrictions. Total expenditure for the year amounted to £162,039 (2019 - £190,165).

The overall results for the year are a surplus of £33,298 (2019 - deficit £1,220).

Total reserves carried forward are £349,670 (2019 - £316,372) with £19,636 (2019 - £12,683) being restricted.

The Multiple Sclerosis Therapy Centre (NW) Limited

Trustees' Report

Policy on reserves

The Trustees have agreed to maintain free reserves equal to between six and twelve months of operating expenditure so that the charity's activities could continue in the event of any significant adverse fluctuations in funding. The current free reserves available cover approximately twelve months of operating expenditure.

Funds in deficit

There are no funds in deficit.

Impact of Covid-19 Pandemic

Like most other organisations worldwide the charity has been adversely affected by the Covid-19 pandemic. At the end of March 2020 the centre had to close due to government restrictions put in place. This had a massively detrimental effect on fundraising activities. Fortunately after restrictions were reduced the centre was re-opened in August 2020 and was able to provide a good percentage of normal services.

The trustees consider that even with the unfortunate financial effects of the Covid-19 pandemic the charity is in a strong position to continue its operations and we look forward to a future in new premises providing more services to members.

Important non-adjusting events after the financial period

The Coronavirus pandemic is still ongoing. At the date of approval of the accounts it has not been possible to quantify or ascertain the financial impact of the pandemic on the charity. No adjustments have been made to any figures in the accounts as a result of the pandemic.

Disclosure of information to auditor

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

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 28 September 2021 and signed on its behalf by:



A C Gilbody
Chairman and Trustee

The Multiple Sclerosis Therapy Centre (NW) Limited

Statement of Trustees' Responsibilities

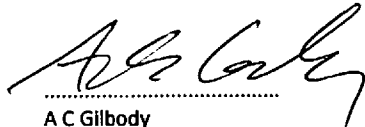
The trustees (who are also the directors of The Multiple Sclerosis Therapy Centre (NW) Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

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

Approved by the trustees of the charity on 28 September 2021 and signed on its behalf by:



A C Gilbody
Chairman and Trustee

The Multiple Sclerosis Therapy Centre (NW) Limited

Independent Auditor's Report to the Members of The Multiple Sclerosis Therapy Centre (NW) Limited

Opinion

We have audited the financial statements of The Multiple Sclerosis Therapy Centre (NW) Limited (the 'charity') for the year ended 31 December 2020, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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.

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 charity 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

The Multiple Sclerosis Therapy Centre (NW) Limited

Independent Auditor's Report to the Members of The Multiple Sclerosis Therapy Centre (NW) Limited

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees 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 charity'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 charity 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with key management and the trustees and from our knowledge and experience of the sector, we assessed the extent of compliance and the audit team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

The Multiple Sclerosis Therapy Centre (NW) Limited

Independent Auditor's Report to the Members of The Multiple Sclerosis Therapy Centre (NW) Limited

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.


.....
Mr John Saxon (Senior Statutory Auditor)
For and on behalf of The Moffatts Partnership LLP, Statutory Auditor

Chartered Accountants
Progress House
396 Wilmslow Road
Withington
Manchester
M20 3BN

28 September 2021

The Multiple Sclerosis Therapy Centre (NW) Limited

Statement of Financial Activities for the Year Ended 31 December 2020 **(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

| | Note | Unrestricted £ | Restricted £ | Total 2020 £ | Total 2019 £ |
|------------------------------------|------|-------------------|-----------------|--------------------|--------------------|
| Income and Endowments from: | | | | | |
| Donations and legacies | 3 | 116,622 | 62,278 | 178,900 | 147,957 |
| Other trading activities | 4 | 15,406 | - | 15,406 | 39,596 |
| Investment income | 5 | 1,031 | - | 1,031 | 1,392 |
| Total Income | | 133,059 | 62,278 | 195,337 | 188,945 |
| Expenditure on: | | | | | |
| Raising funds | 6 | 15,941 | - | 15,941 | 24,536 |
| Charitable activities | 7 | 90,773 | 55,325 | 146,098 | 165,629 |
| Total Expenditure | | 106,714 | 55,325 | 162,039 | 190,165 |
| Net income/(expenditure) | | 26,345 | 6,953 | 33,298 | (1,220) |
| Net movement in funds | | 26,345 | 6,953 | 33,298 | (1,220) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 303,689 | 12,683 | 316,372 | 317,592 |
| Total funds carried forward | 22 | 330,034 | 19,636 | 349,670 | 316,372 |

All of the charity's activities derive from continuing operations during the above two periods.

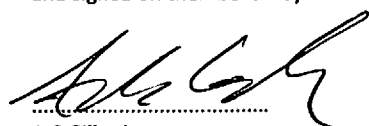
The funds breakdown for 2019 is shown in note 22.

The Multiple Sclerosis Therapy Centre (NW) Limited

(Registration number: 04501975)
Balance Sheet as at 31 December 2020

| | Note | 2020 £ | 2019 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 15 | 501,682 | 474,122 |
| Current assets | | | |
| Stocks | 16 | 286 | 427 |
| Debtors | 17 | 7,854 | 9,589 |
| Cash at bank and in hand | 18 | <u>203,042</u> | <u>145,943</u> |
| | | 211,182 | 155,959 |
| Creditors: Amounts falling due within one year | 19 | <u>(34,173)</u> | <u>(31,371)</u> |
| Net current assets | | <u>177,009</u> | <u>124,588</u> |
| Total assets less current liabilities | | 678,691 | 598,710 |
| Creditors: Amounts falling due after more than one year | 20 | <u>(329,021)</u> | <u>(282,338)</u> |
| Net assets | | <u>349,670</u> | <u>316,372</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | 22 | 19,636 | 12,683 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>330,034</u> | <u>303,689</u> |
| Total funds | 22 | <u>349,670</u> | <u>316,372</u> |

The financial statements on pages 10 to 24 were approved by the trustees, and authorised for issue on 28 September 2021 and signed on their behalf by:



A C Gilbody
Chairman and Trustee

The notes on pages 12 to 24 form an integral part of these financial statements.

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Corner House
Fourth Avenue
Trafford Park
Manchester
M17 1BP

These financial statements were authorised for issue by the trustees on 28 September 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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), the Charities Act 2011 and the Companies Act 2006.

Basis of preparation

The Multiple Sclerosis Therapy Centre (NW) Limited 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 notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Judgements

The charity has no judgements that are significant enough to require disclosure.

Key sources of estimation uncertainty

The charity does not have any estimates that are subject to estimation uncertainty that require disclosure.

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Other trading activities

Income is raised from various fundraising activities.

Investment income

Investment income is recognised on a receivable basis.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,000.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|------------------------------|-------------------------------------|
| Freehold Property | 2% straight line basis |
| Leasehold alterations | Over the period of the lease |
| Hyperbaric chambers | 10% straight line basis |
| Fixtures and fittings | 20% straight line basis |
| Therapy and Physio equipment | 20% straight line basis |
| Office equipment | 33.3% straight line basis |

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial Instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

| | Unrestricted funds General £ | Restricted funds £ | Total 2020 £ | Total 2019 £ |
|---|---------------------------------------|--------------------------|--------------------|--------------------|
| Donations and legacies; | | | | |
| Donations from companies, trusts and similar proceeds | 16,897 | 900 | 17,797 | 4,521 |
| Donations from individuals | 51,284 | 1,553 | 52,837 | 123,552 |
| Legacies | 290 | - | 290 | - |
| Gift aid reclaimed | 7,921 | - | 7,921 | 15,884 |
| Grants, including capital grants; | | | | |
| Government grants | 39,480 | 55,325 | 94,805 | - |
| Grants from other charities | 750 | 4,500 | 5,250 | 4,000 |
| | <u>116,622</u> | <u>62,278</u> | <u>178,900</u> | <u>147,957</u> |

4 Income from other trading activities

| | Unrestricted funds General £ | Total funds £ | Total 2019 £ |
|--|---------------------------------------|---------------------|--------------------|
| Local fundraising and street collection income | 15,406 | 15,406 | 39,596 |
| | <u>15,406</u> | <u>15,406</u> | <u>39,596</u> |

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

5 Investment income

| | Unrestricted funds General £ | Total 2020 £ | Total 2019 £ |
|-------------------------|---------------------------------------|--------------------|--------------------|
| Other investment income | 1,031 | 1,031 | 1,392 |

6 Expenditure on raising funds

a) Costs of trading activities

| | Note | Unrestricted General £ | Total 2020 £ | Total 2019 £ |
|---|------|------------------------------|--------------------|--------------------|
| Fundraising trading costs; | | | | |
| Fundraising | | 2,070 | 2,070 | 9,286 |
| Other direct costs of activities for generating funds | | 13,871 | 13,871 | 15,250 |
| | | <u>15,941</u> | <u>15,941</u> | <u>24,536</u> |

7 Expenditure on charitable activities

| | Unrestricted funds General £ | Restricted funds £ | Total 2020 £ | Total 2019 £ |
|-----------------------------------|---------------------------------------|--------------------------|--------------------|--------------------|
| Direct costs of therapy treatment | 10,041 | - | 10,041 | 12,463 |
| Therapy centre costs | 2,467 | - | 2,467 | 7,276 |
| Salary costs | 20,056 | 33,917 | 53,973 | 57,171 |
| Rents, rates, utility costs | 25,203 | 21,408 | 46,611 | 47,666 |
| Repairs and equipment | 4,553 | - | 4,553 | 4,867 |
| Insurances | 6,352 | - | 6,352 | 5,072 |
| Motor and travel costs | 2,490 | - | 2,490 | 2,520 |
| Administration expenses | 3,742 | - | 3,742 | 5,172 |
| Consultancy fees | 3,300 | - | 3,300 | 6,417 |
| Bank charges | 254 | - | 254 | 3,887 |
| Interest charges | 8,855 | - | 8,855 | 7,826 |
| Depreciation | 400 | - | 400 | 2,278 |
| | <u>87,713</u> | <u>55,325</u> | <u>143,038</u> | <u>162,615</u> |

£87,713 (2019 - £161,888) of the above expenditure was attributable to unrestricted funds and £55,325 (2019 - £727) to restricted funds.

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

In addition to the expenditure analysed above, there are also governance costs of £3,060 (2019 - £3,014) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of governance and support costs

Governance costs

| | Unrestricted funds General £ | Total 2020 £ | Total 2019 £ |
|-----------------------------------|---------------------------------------|--------------------|--------------------|
| Audit fees | | | |
| Audit of the financial statements | 3,060 | 3,060 | 3,001 |
| Other governance costs | - | - | 13 |
| | <u>3,060</u> | <u>3,060</u> | <u>3,014</u> |

9 Government grants

The charity has received furlough grants and a Covid Response Grant in the year.
The amount of grants recognised in the financial statements was £94,805 (2019 £-Nil).

10 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

| | 2020 £ | 2019 £ |
|---------------------------------|------------|--------------|
| Operating leases - other assets | 42,816 | 43,893 |
| Audit fees | 3,060 | 3,001 |
| Depreciation of fixed assets | <u>400</u> | <u>2,278</u> |

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Donations made by the trustees without any conditions attached totalled £2,010 for the year (2019 - £1,738).

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Staff costs

The aggregate payroll costs were as follows:

| | 2020 £ | 2019 £ |
|--|---------------|---------------|
| Staff costs during the year were: | | |
| Wages and salaries | 65,373 | 69,408 |
| Social security costs | 1,034 | 1,340 |
| Pension costs | 1,437 | 1,672 |
| | <u>67,844</u> | <u>72,420</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

| | 2020 No | 2019 No |
|-------------------------------|------------|------------|
| Management and Administration | 4 | 4 |
| Fundraising | 1 | 1 |
| | <u>5</u> | <u>5</u> |

3 (2019 - 4) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £1,437 (2019 - £1,672).

No employee received emoluments of more than £60,000 during the year.

13 Auditors' remuneration

| | 2020 £ | 2019 £ |
|-----------------------------------|--------------|--------------|
| Audit of the financial statements | <u>3,060</u> | <u>3,001</u> |

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

15 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Other tangible fixed asset £ | Total £ |
|-----------------------|----------------------------|---------------------------------|------------------------------------|----------------|
| Cost | | | | |
| At 1 January 2020 | 502,185 | 48,858 | 7,638 | 558,681 |
| Additions | <u>27,960</u> | <u>-</u> | <u>-</u> | <u>27,960</u> |
| At 31 December 2020 | <u>530,145</u> | <u>48,858</u> | <u>7,638</u> | <u>586,641</u> |
| Depreciation | | | | |
| At 1 January 2020 | 28,863 | 48,058 | 7,638 | 84,559 |
| Charge for the year | <u>-</u> | <u>400</u> | <u>-</u> | <u>400</u> |
| At 31 December 2020 | <u>28,863</u> | <u>48,458</u> | <u>7,638</u> | <u>84,959</u> |
| Net book value | | | | |
| At 31 December 2020 | <u>501,282</u> | <u>400</u> | <u>-</u> | <u>501,682</u> |
| At 31 December 2019 | <u>473,322</u> | <u>800</u> | <u>-</u> | <u>474,122</u> |

Included within the net book value of land and buildings above is £501,282 (2019 - £473,322) in respect of freehold land and buildings and £Nil (2019 - £Nil) in respect of leaseholds.

16 Stock

| | 2020 £ | 2019 £ |
|--------|------------|------------|
| Stocks | <u>286</u> | <u>427</u> |

17 Debtors

| | 2020 £ | 2019 £ |
|----------------|--------------|--------------|
| Prepayments | 3,914 | 3,961 |
| Accrued income | 3,700 | 5,628 |
| Other debtors | <u>240</u> | <u>-</u> |
| | <u>7,854</u> | <u>9,589</u> |

18 Cash and cash equivalents

| | 2020 £ | 2019 £ |
|--------------|----------------|----------------|
| Cash on hand | 328 | 127 |
| Cash at bank | <u>202,714</u> | <u>145,816</u> |
| | <u>203,042</u> | <u>145,943</u> |

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

19 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|---------------|---------------|
| Bank loans | 12,106 | 17,307 |
| Trade creditors | 17,626 | 10,028 |
| Other taxation and social security | 1,381 | 1,036 |
| Accruals | 3,060 | 3,000 |
| | <u>34,173</u> | <u>31,371</u> |

Bank borrowings

Barclayloan for Business is denominated in Sterling with a nominal interest rate of 2.74% (2019 - 3.39%), and the final instalment is due on 25 March 2034. The carrying amount at year end is £291,127 (2019 - £299,645).

Security provided in relation to the loan is a Legal Charge over 6 Eliza Ann Street, Eccles, Manchester

HSBC Bounce Back Loan is denominated in Sterling with a nominal interest rate of 2.5% (2019 - 0%), and the final instalment is due on 16 September 2026. The carrying amount at year end is £50,000 (2019 - £Nil).

20 Creditors: amounts falling due after one year

| | 2020 £ | 2019 £ |
|------------|----------------|----------------|
| Bank loans | <u>329,021</u> | <u>282,338</u> |

Included in the creditors are the following amounts due after more than five years:

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| After more than five years by instalments | <u>199,763</u> | <u>207,613</u> |

Bank loans and overdrafts after five years

Bank loans are repayable monthly at a current interest rate of 2.74%

21 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2020 £ | 2019 £ |
|--------------------|---------------|---------------|
| Land and buildings | | |
| Within one year | <u>42,816</u> | <u>42,816</u> |

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

22 Funds

| | Balance at 1 January 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 December 2020 £ |
|------------------------------------|--------------------------------------|----------------------------|----------------------------|----------------|--|
| Unrestricted | | | | | |
| <i>General</i> | | | | | |
| Unrestricted income fund | 248,238 | 133,059 | (106,714) | - | 274,583 |
| <i>Designated</i> | | | | | |
| New building fund | 55,451 | - | - | - | 55,451 |
| Total Unrestricted | 303,689 | 133,059 | (106,714) | - | 330,034 |
| Restricted | | | | | |
| Advertising & promotion | 154 | - | - | - | 154 |
| Physio equipment | 4,529 | - | - | - | 4,529 |
| Seating replacement | 4,000 | - | - | - | 4,000 |
| New Building Costs | 4,000 | 6,053 | - | - | 10,053 |
| Physio Beds | - | 900 | - | - | 900 |
| Coronavirus Community Support Fund | - | 55,325 | (55,325) | - | - |
| Total restricted | 12,683 | 62,278 | (55,325) | - | 19,636 |
| Total funds | 316,372 | 195,337 | (162,039) | - | 349,670 |
| | Balance at 1 January 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 December 2019 £ |
| Unrestricted | | | | | |
| <i>General</i> | | | | | |
| Unrestricted income fund | 263,594 | 184,945 | (189,438) | (10,863) | 248,238 |
| <i>Designated</i> | | | | | |
| New building fund | 44,588 | - | - | 10,863 | 55,451 |
| Total unrestricted | 308,182 | 184,945 | (189,438) | - | 303,689 |
| Restricted | | | | | |
| Yoga Services | 470 | - | (470) | - | - |
| Advertising & promotion | 411 | - | (257) | - | 154 |
| Physio equipment | 4,529 | - | - | - | 4,529 |
| Seating replacement | 4,000 | - | - | - | 4,000 |
| New Building Costs | - | 4,000 | - | - | 4,000 |
| Total restricted | 9,410 | 4,000 | (727) | - | 12,683 |
| Total funds | 317,592 | 188,945 | (190,165) | - | 316,372 |

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

The specific purposes for which the funds are to be applied are as follows:

Funds in the New Building Fund have been set aside to be used for this purpose.

Funds in the Physio Equipment fund are used only to purchase physio equipment.

Funds in the Yoga Services fund are used only to pay for a yoga teacher in an advisory capacity.

Funds in Advertising and Promotion fund are used only for advertising and promotional costs.

Funds in the Seating Replacement fund are to be used for the purchase of replacement seating only.

Funds in the New Building Costs fund are to be used for any costs relating to the new building.

Funds in the Physio Beds fund are to be used for the purchase of physio beds only.

23 Analysis of net assets between funds

| | Unrestricted funds | | Restricted funds | Total funds at 31 December |
|-----------------------|--------------------|---------------|------------------|----------------------------|
| | General | Designated | funds | 2020 |
| | £ | £ | £ | £ |
| Tangible fixed assets | 501,682 | - | - | 501,682 |
| Current assets | 136,095 | 55,451 | 19,636 | 211,182 |
| Current liabilities | (34,173) | - | - | (34,173) |
| Creditors over 1 year | (329,021) | - | - | (329,021) |
| Total net assets | <u>274,583</u> | <u>55,451</u> | <u>19,636</u> | <u>349,670</u> |

| | Unrestricted funds | | Restricted funds | Total funds at 31 December |
|-----------------------|--------------------|---------------|------------------|----------------------------|
| | General | Designated | funds | 2019 |
| | £ | £ | £ | £ |
| Tangible fixed assets | 474,122 | - | - | 474,122 |
| Current assets | 87,825 | 55,451 | 12,683 | 155,959 |
| Current liabilities | (31,371) | - | - | (31,371) |
| Creditors over 1 year | (282,338) | - | - | (282,338) |
| Total net assets | <u>248,238</u> | <u>55,451</u> | <u>12,683</u> | <u>316,372</u> |

The Multiple Sclerosis Therapy Centre (NW) Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

24 Related party transactions

During the year the charity made the following related party transactions:

Accounts & Tax Advice Limited

(A C Gilbody, a trustee, is the director of the above firm.)

Payroll services are provided to the charity on a no fee basis. At the balance sheet date the amount due to/from Accounts & Tax Advice Limited was £Nil (2019 - £Nil).

25 Non-adjusting events after the financial period

The Coronavirus pandemic is still ongoing. At the date of approval of the accounts it has not been possible to quantify or ascertain the financial impact of the pandemic on the charity. No adjustments have been made to any figures in the accounts as a result of the pandemic.