

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 28 February 2021
for
THE MUSCLE HELP FOUNDATION**

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THE MUSCLE HELP FOUNDATION

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THE MUSCLE HELP FOUNDATION

Report of the Trustees for the Year Ended 28 February 2021

The trustees present their report with the financial statements of the charity for the year ended 28 February 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims and public benefit

The Muscle Help Foundation (MHF) is a small family-centred charity. For the public benefit, its charitable purposes are set out in the objects clause of its Deed of Trust as outlined below:

- The relief in sickness of people suffering from Muscular Dystrophy (MD) and other allied neuromuscular conditions
- Such other charitable activities as the trustees shall determine from time to time.

The charity's classification is specified in the following way:

- Purposes (what): the advancement of health or saving lives
- Beneficiaries (who): people with disabilities
- Method of operation (how): providing services and/or other charitable activities

Service strands - the charity delivers two specific service strands which are designed for children and young people (8-28yrs) in the UK with the muscle wasting disease Muscular Dystrophy ("MD") and allied neuromuscular conditions.

1. Bespoke Muscle Dream (singular beneficiary) interventions, often involving the whole family, also referred to as 'experiences'
2. Bespoke Muscle Dream programmes (several beneficiaries) that bring families together

MHF's mission aims to bring together children, young people and their families, creating communities through transformational events, networks and activities. Through Muscle Dreams and by bringing beneficiaries and families together, MHF aims to play a part in helping to fulfil potential, giving a very real sense of purpose and hope for the future.

OBJECTIVES AND ACTIVITIES

COMMUNITY

MHF continues to work tirelessly to support its vulnerable community across the UK. The associated attributes and sense of belonging that beneficiaries and families feel as a result of being a part of the charity's Muscle Warrior tribe provides an incredibly positive, shared sense of belonging - as mentioned earlier, the impact of COVID-19 on the charity's community has been significant.

BENEFICIARIES

Most >96% of the charity's beneficiaries are boys and young adults with the most severe form of Muscular Dystrophy (MD) known as Duchenne Muscular Dystrophy (DMD) - this specific form is life-limiting. It affects some 1 in 3,500 new-born boys. Muscular Dystrophy refers to a group of genetic, hereditary diseases that progressively weaken muscles. Over time and variant depending, independence diminishes, disability increases and a reliance on family members is needed to provide care and support. A young person with Duchenne Muscular Dystrophy (DMD) aged between 11-12yrs, will on average become a permanent wheelchair user. When for example they reach 17-18yrs, those with DMD begin to have increasing breathing and cardio difficulties in addition to reduced arm movements.

UNIQUE POINTS OF DIFFERENCE / INSPIRING CONFIDENCE WITH FAMILIES

As a direct consequence of COVID-19, MHF has worked tirelessly to focus its energies on those beneficiaries and families most in need - under extremely challenging circumstances, the bespoke approach in creating and delivering tailored virtual person-centred programmes has provided many positive outcomes and much joy. One should remember that the charity's focus is specifically on those with Muscular Dystrophy and allied neuromuscular conditions and it is this niche offering that continues to distinguish it from other charities in what's known as the broad wish-fulfilment space. Through his nearly 40yrs of living with Muscular Dystrophy (LGMD2A), MHF's driving force is its CEO M McGrath whose personal approach in for example communicating with beneficiaries and families is greatly valued - in promoting inclusion and a sense of belonging, his 'lived experience' offers a powerful and unique platform that not only inspires confidence but engenders trust with families.

SAFEGUARDING

MHF applies a zero-tolerance approach to any form of abuse or harm - the charity's safeguarding policy, procedures and code of practice is reviewed annually. Training is carried out annually and in the period being reported on, this included guidance, child protection processes and procedures, roles and responsibilities of Trustees, the categories of abuse and an insight into inspection standards for the safeguarding of children.

"Our commitment to safeguarding is absolute. We have a duty of care, to not only protect our Muscle Dream beneficiaries but everyone who comes into contact with the charity. Safeguarding is our operational priority; we take a zero-tolerance approach to any form of abuse or harm - we put the safety and well-being of every person that connects with our work at the heart of the organisation." (Source: M McGrath, CEO)

Safeguarding is a fixed (standalone) agenda item on all Trustee Board meetings - as a direct result of the COVID-19 pandemic and the different way of operating specifically in the virtual space, dated and signed reports are presented by the charity's CEO (and DSL-lead). The charity actively promotes a safe culture by clearly identifying and communicating safeguarding roles and responsibilities. MHF's current Safeguarding Summary and the MHF Code of Practice are available via their respective links on the charity's website, for beneficiaries, parents/carers, third party suppliers and the public.

Trustees, staff, volunteers, relevant suppliers, and external consultants are all required to complete MHF's mandatory online Safeguarding Quiz, accessible from a password protected secure area. New employees and/or volunteers receive a comprehensive intro-pack, plus pre-event briefings regarding safeguarding and the due process to follow - they are also told who the DSL is, how to report any incidents and that a 'professional curiosity' approach be always adopted.

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Report of the Trustees for the Year Ended 28 February 2021

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- MHF's Designated Safeguarding Lead (DSL): M McGrath, CEO
- MHF's Deputy DSL: S McGrath, Charity Trustee & Secretary
- MHF's Nominated Trustee for Safeguarding: S Spencer, Board Chair & Charity Trustee

POLICIES + CYBER SECURITY

MHF's policies include: GDPR, Anti-bribery, Cookie & Privacy, Reserves and Social Media (included within MHF's Safeguarding Policy), Volunteering and Equal Opportunities. In the period being reported, the charity has sought to review its cyber security position and protect itself from the most common types of cybercrime. MHF's CEO M McGrath has used the National Cyber Security Centre, and specifically its 'Cyber Security: Small Charity Guide' as a template for the charity.

MHF's policies and procedures directly support its activities in how it should operate - they define clearly what is expected of people when it comes to understanding for example the place that volunteering or cyber security has in the charity. In addition, they provide accountability and transparency, they ensure compliance within a legal framework and they constrain risk.

BENEFICIARY NUMBERS + REACH

During the period under review, the charity delivered the following:

1 x Virtual Muscle Dream (Keith Lemon) - Christian (Greater Manchester), July 2020

"To say this experience raised spirits is an understatement!!"

1 x Virtual Muscle Dream (Olly Murs) - James (Cheshire), July 2020

"I can't thank you enough - we have memories to last forever!"

1 x Virtual Muscle Dream (Members of England Hockey Team) - Jacob (Worcestershire), August 2020

"My confidence in myself has gone up - the day was amazing!"

1 x Virtual Muscle Dream (Live Broadcast from ZSL Whipsnade) - Daisy (Northern Ireland), October 2020 "We are Muscle Warriors!"

19 x Virtual Laughter Muscle Dream Programme Interventions - for beneficiaries & families, December 2020

Outcomes:

- Improved mental & emotional wellbeing
- Enabling families to maintain perspective and be present in the moment
- Introduction of some mindfulness tips
- The programme generated some much-needed festive excitement

At what was an extremely testing time for many and just a few days before Christmas, the charity saw the need to deliver a programme with the goal to simply lift spirits, lighten the mood and set families up for a Christmas that everyone knew would be different. We invited families to wear their favourite Christmas jumpers, bring their best ever joke and finally, help make MHF's Chief Muscle Warrior (our CEO M McGrath) laugh-out-loud. Each participating family received a surprise magical Muscle Dream Christmas gift package, plus the charity funded a every family's favourite take-away for up to 4 people.

Geographical Spread from the Virtual Laughter Muscle Dream Programme

18 = the number of beneficiaries who came from < **England** > as follows:

Northamptonshire, Warwickshire, Norfolk (2), Middlesex (3), Derbyshire, Hampshire, Oxfordshire
Surrey, West Midlands, Northumberland, Greater Manchester (2), London, Bedfordshire, Lincolnshire

OBJECTIVES AND ACTIVITIES

1 = the number of beneficiaries who came from < **Scotland** >

95 = est. primary < **reach** > for Virtual Laughter Muscle Dream Programme

9 x Uplifting Restorative Experiences - for dedicated Muscle Warriors Powerchair Football families, December 2020

As a direct consequence of the COVID-19 pandemic, MHF funded nine (9) mesmerising Muscle Dream Christmas Day experiential gifts called 'Uplift' designed to lift weary spirits, an experiential intervention like no other. The charity was acutely aware that families had found 2020 tiring, challenging and exhausting. Many wanted to move on, forget 2020 and look to the future. The charity wanted to reinforce what it means to be a part of a tribe where that spirit of togetherness and that sense of belonging, in being part of 'a family within a family' burns brightly.

The charity's social currency is underpinned by the notion that an experience (be it virtual or otherwise) that empowers, can be a moment in time that gives real hope - if there was a prescription to help lighten a person's mood, soothe their soul, calm their spirit, and improve their mental wellbeing, something that was good for families, not just once but in a timeless, ongoing restorative way, like the warmth of sunshine on one's face, the 'Uplift' gift was the perfect Christmas present to help recharge and fuel wellbeing in a wonderfully different yet positive way.

6 x BIG 657 Muscle Warrior Quiz Nights - that in total saw < 37 > participating families

Across a period of 6-months ie. 21st May, 25th June, 23rd July, 20th Aug, 24th Sept & 22nd Oct 2020, the charity delivered a family friendly virtual social quiz event, designed to be interactive and fun, but also test knowledge. Designed to enable MHF's beneficiaries and families across the UK feel less isolated and more connected, one of the charity's long-standing Muscle Warrior volunteers and previous Quiz Master J Silverstone made all the arrangements, hosting each event virtually via Zoom. As all families were shielding at this time, having events like these that offered distractions and moment-in-time to look forward to, in addition to winning prizes that for example included having MHF fund a family's weekly shop to the value of £150 were greatly valued.

13 x Volunteer Muscle Warrior Engagement Films - presented on MHF's dedicated YouTube channel

When Covid-19 and lockdown reached the UK in March 2020, our beneficiaries and families across the country felt very vulnerable, anxious and isolated. Our selfless band of Muscle Warrior Volunteers rallied by providing a range of inspiring heartfelt video messages recorded by the charity's volunteers with the goal to help bring some joy and a smile to families across the UK. In amplifying its STRONGER TOGETHER ethos, each volunteer delivered their best Muscle Warrior salute which is a visible symbol of hope, courage, strength, joy and unity for those with muscular dystrophy.

19 x 'In Conversation With' (ICW) Broadcasts - with est. reach metrics surpassing 83,000

As a direct result of COVID-19 and with MHF's community in mind, the charity moved quickly in April 2020 to establish a new virtual initiative called In Conversation With (ICW) initially created with one objective - to help beneficiaries and families across the UK feel less isolated and more connected.

ICW is an online broadcast initiative made up of standalone .60-minute episodes or shows that see interesting guests and personalities being invited by the charity to not only share positive stories and lockdown insights, but also give their perspectives on a variety of topics, engage with ICW's quick-fire rounds, as well as offer encouragement tips and takeaways. Broadcasts also offer an opportunity to amplify awareness of the charity's work and impact, in addition to reaching new audiences - an informal, bi-weekly platform, where free-flowing conversations are encouraged, MHF's community is able to directly engage with guests by for example posting comments and asking questions in real-time.

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ICW guests included MHF's Patron, TV Presenter Lorraine Kelly as well as the former 2010 World Cup Final referee Howard Webb - the charity would like to thank each and every guest for agreeing to give up some of their time to support MHF's community in this way. ICW topics included:

- Former Royal Navy Submarine Commander on Isolation
- Family Communication in Times of Adversity
- England Powerchair Football Captain
- Life, Laughter, Love & Lockdown
- The Integrated Medicine Toolbox for Maintaining Wellbeing during Covid-19 and Beyond
- Living Life with Laughter
- Tales from the Man in The Middle
- From TV & celebrity interviews to all things Antarctica & penguins!

In the period being reported on, MHF delivered < 19 > ICW episodes, < 17 > of which were personally hosted by MHF's CEO M McGrath with the remaining < 2 > hosted by volunteers. Metrics such as reach (organic, paid, impressions), engagement (reaction, post-clicks, comments, shares) and thru-plays are recorded so the charity can directly see the impact from any given episode - the topics of conversations, often informed by beneficiaries, in addition to a guest's profile are influencing factors.

It is envisaged that the ICW initiative will be developed further in the 2021/22 period.

7 x Wellbeing Outreach Muscle Dream Programme - for shielding families, September 2020

The driving forces for a strictly socially distanced Wellbeing Outreach Programme played their part in September 2020 when MHF brought seven families together in a stunning setting for a much-needed break filled with fresh air, warm sunshine and relaxing guitar vibes. This programme was specifically designed for seven extraordinarily deserving shielding families, all of whom were at this time feeling unsettled, distressed and worn out by the ongoing burden and anxiety brought about by COVID-19.

"Thank you so much to all for this... a much needed and amazing day out!" (Source: beneficiary family)

"Friday was just what our family all needed" (Source: beneficiary family)

The goal of this outreach initiative was to create an environment that was safe, peaceful and above all allowed families to take some time out to recharge and reconnect with others. Set in stunning glorious gardens and parkland, the charity would like to acknowledge Munden Estate (Hertfordshire) for being so incredibly welcoming. The charity would also like to thank R Voss CBE (Lord Lieutenant of Hertfordshire) and to H Holland-Hibbert (High Sheriff of Hertfordshire) for their collective support and generosity of spirit in meeting and chatting to the families.

"It's a little known fact that the more fresh air we get, the more oxygen we breathe in, which in turn increases the amount of serotonin, that delightful happy hormone we all need, especially during these challenging times. Bottom line, fresh air reinforces the immune system. This in combination with an injection of Vitamin D, in other words some sunshine, especially important for vulnerable young people and their families who are spending so much time at home, along with the soothing sounds of guitar music was just what the doctor had ordered - put simply, the plan was to create an afternoon of restoration, giving everyone a sense of vitality and mental wellbeing. For the charity, it was a such a privilege to plan and a joy to witness". (Source: MHF's CEO M McGrath).

BBC Children in Need

A BBC Children in Need grant funded by the Department for Culture, Media and Sport (DCMS) in the amount of < £34,909.00 > was approved in < Dec 2020 > at a time when the country was busy handling life under lockdown 3 and the associated challenges that came with that - whilst the funder was totally committed to supporting organisations to respond and change at pace during the pandemic, MHF had to be agile and move swiftly as the grant payment was not released until < Jan 2021 >.

OBJECTIVES AND ACTIVITIES

This grant was allocated for resources to directly support the charity's ongoing virtual Muscle Dream activities for children and young people with Muscular Dystrophy - a proportion of funds were allocated towards covering the costs of a dedicated Community Engagement role with the aim to contact beneficiaries and families by phone to let them know that MHF is there for them and explore how we might be able to support them - in the period being reported (1st March 2020 to 29th Feb 2021), we have included the key Community Engagement headlines but not the virtual Muscle Dream activities as these were all delivered in the month of March 2021, which falls outside this reporting period. The grant also included a contribution towards project evaluation and associated project delivery costs.

NOTE: it was a requirement for those organisations who received a BBC Children in Need grant (funded by the DCMS) to have spent all the funding awarded by the end of < March 2021 > - as such, this report solely reflects the < Community Engagement > element.

PROJECT AIM: the aim of this project was to reduce isolation, improve connectivity and restore future hopes. The difference the charity made for children and young people can be summarised by the following points:

- Reduce isolation through online communication and engagement
- Staying connected with each other and the outside world
- Support good mental wellbeing and restore hope for the future

"Thanks to BBC Children in Need, the charity has extended its ability to increase engagement to hard-to-reach families. Beneficiaries have become involved in an inclusive group where the restorative benefits of 'hope' prevail and where personal identities and that powerful sense-of-belonging are reinforced. We have been able to continue to focus on our vision in providing an increasing number of families with the support they so desperately need.

The grant enabled the charity to reach out and contact families in a way that it had not been able to - at an incredibly difficult time and thanks to BBC Children in Need, we have been able to listen, to hear our families and to then plan a variety of community informed bespoke interventions rooted in Music, Art and Laughter. The BBC Children in Need grant enabled us to recruit two key full-time contractor roles for what essentially was an eight-week timeframe - a Virtual Muscle Dream Maker and a Community Engagement Lead that once appointments were made, worked closely together in partnership in order to achieve prescribed outcomes.

We maximized the impact of this funding to reduce social isolation, improve mental health and well-being and provide hope for the future to disadvantaged families. I believe we have enabled their voices, concerns and hopes to be heard and yet there is still so much to be done and so many other families who continue to face additional social isolation, stress and financial pressures - we know this is an incredibly damaging cocktail. In addition to the day-to-day challenges that living with a disability presents, the cause and effect of COVID-19 has become strikingly evident for our community of vulnerable young people and their families. Whilst the support we received from BBC Children in Need was massively appreciated, the charity desperately needs more support going forwards if it is going to continue to impact those in most need." (Source: MHF's CEO M McGrath)

OUTCOMES SPECIFIC TO THE COMMUNITY ENGAGEMENT LEAD:

In total, MHF's programmes engaged the specific needs of < 82 > vulnerable children, young people and their families across the UK - the findings from this focused < 8 week > activity period will be reported on in more detail in the 2021/22 report.

Below, a summary of the headlines achieved by the Community Engagement Lead and MHF's CEO M McGrath:

73 = the total number of direct conversations with beneficiaries and families

37 = previous Muscle Dream recipients

33 = from the Muscle Dream waitlist

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68 = packs of sweets & #StrongerTogether messages of hope

80 = Charlie Mackesy books (The Boy, The Mole, The Fox and The Horse) procured & sent out

Source of Nominations:

For the period in question, nominations were received from:

- Other Muscular Dystrophy (MD) charities known to MHF
- Social media channels, specifically Facebook, Instagram & Twitter
- Several UK hospices
- Social care workers
- Family referrals
- Specialist neuromuscular care advisers / practitioners

Note about Families & Virtual Engagement:

For this period being reported on, the estimated average number of family members (excluding beneficiaries) was: < 2 >

Average age across all activity in the period 1st Mar 2020 to 29th Feb 2021:

The average beneficiary age was: < 15yrs >, equating to < 1 > year below the start of what's called < transition >

Note about Transition & Social Model of Care:

Transition is a gradual process that sees a young person and their family supported through their teenage years and on into adulthood. Part of the transition process is about building up a young person's confidence - this forms a part of the social model of care which is about having positive interactions in ultimately supporting and helping a young person in their understanding and ability to learn more specifically about their care along with the type of support needed in the future as they transition into adulthood.

Note about Child Health & Social Care Services:

Until a young person reaches the age of 18yrs, the services for those with long-term health conditions are delivered by child health and social care services. When a young person moves beyond the age of 18yrs, services are usually provided by adult care services. The child will start what is referred to as a period of "transition" to adult services between the ages of 16yrs and 18yrs.

COVID-19: NOTE ON CANCELLED SIGNATURE MUSCLE DREAM PROGRAMMES

For this period, the charity's key signature programme, namely, it's Porsche Muscle Dreams programme was cancelled. This would have been the 10th Anniversary and as such, it had been confirmed by the Porsche Experience centre at Silverstone that 10 places would have been offered with each one symbolising a year of this highly successful and much anticipated initiative. In addition, MHF's Flying Muscle Dreams programme was also cancelled - this would have been the charity's 8th year of operation.

These cancellations came about as a direct result of the pandemic - MHF's CEO M McGrath plans to review these activities for potential inclusion in the 2021/22 period. This will of course be subject to the COVID-19 position and what restrictions are in place at that time.

HIGHLIGHTS + KEY DONATIONS + TRUSTS RECEIVED IN 2020-2021 PERIOD INCLUDED:

March 2020 - record-breaking sum raised by the Lussmann's 'Dream Team Dinner' charity fundraiser: £7,688.00

March 2020 - the first of several Coronavirus (COVID-19) charity statements published on its website, designed to keep stakeholders informed

THE MUSCLE HELP FOUNDATION

Report of the Trustees for the Year Ended 28 February 2021

OBJECTIVES AND ACTIVITIES

"The health and safety of our Muscle Warrior community is our number one priority. The Muscle Help Foundation charity has a duty of care to ensure the well-being and safety of its beneficiaries, families, volunteers and indeed anyone that we come into contact with - this is very much at the forefront of our minds. We recognise that the ongoing coronavirus (COVID-19) situation is extremely unsettling; we will do all we can to help and support those for whom the charity exists to serve." (SOURCE: MHF's CEO, M McGrath)

March 2020 - J McNicholas donation: £500.00

April 2020 - The Poynton Foundation donation: £1,000.00

May 2020 - talented filmmaker S Castelete-Tyrrell wins a prestigious Award of Recognition from The Best Shorts Film Competition for her inspirational and educational documentary titled 'Muscle Warriors' - the film informs audiences on how living with Muscular Dystrophy (MD) can affect an individual's mental health.

August 2020 - UK charity 'Action Duchenne' hosted a free virtual event titled < An Evening with Michael McGrath >. Formed in 2001, Action Duchenne is the UK's first national charity dedicated to supporting those living with Duchenne muscular dystrophy ('DMD').

"Michael's life work is embodied in The Muscle Help Foundation, a charity which delivers transformational Muscle Dream experiences for young people, children and their families in the UK who live with Muscular Dystrophy. Living with Limb Girdle Muscular Dystrophy (LGMD) himself, and as a full-time wheelchair user, Michael has broken down barriers, made the impossible possible and has led the way in the disabled community". (Source: Action Duchenne)

September 2020 - Barry O'Leary was an inspirational pillar within the Powerchair Football community. To honour his incredible dedication to the sport of Powerchair Football, The Wheelchair Football Association (WFA) created the Barry O'Leary Services to Powerchair Football Award - this is an annual award intended for individuals that have contributed substantial time and expertise to help develop and grow the sport of Powerchair Football. This Award was proudly sponsored by the Muscle Help Foundation charity. Nominations were received through The WFA and then considered by a select panel led by the MHF charity.

October 2020 - M Sharp donation: £10,000.00

December 2020 - MHF is awarded < £19,940.00 > the Postcode Neighbourhood Trust, a grant-giving charity funded entirely by players of People's Postcode Lottery. The charity made an application in August 2020 as part of a wider fundraising strategy to attract and secure desperately funds in pursuing a resilient beneficiary led COVID-19 plan. In offsetting some of the effects of COVID-19 for the charity, the award funded vital support over the 12-month period.

January 2021 - A Regensteiner donation (administered by H Adams): £30,000.00

MUSCLE WARRIORS POWERCHAIR FOOTBALL CLUB (PFC)

The period being reported on regarding the Muscle Warriors Powerchair Football Club (PFC) has been an extremely difficult time for all the players, families and volunteers - sadly, no powerchair football took place as a result of the pandemic. The charity will continue to support the club in any way it can moving forwards. In summary, the benefits of active participation include:

- Improving self-esteem, confidence, teamwork and communication (listening & responding) skills
- Being a part of the team provides real purpose and genuine camaraderie
- The charity is cognisant that some players live more isolated lives than others
- Genuine supportive friendships continue to be established and nurtured
- The Muscle Warriors PFC is entirely run by parents and volunteers
- The club is often referred to as 'a family within a family'
- In bringing players & families together and when budgets/funds allow, social events are arranged by the charity

THE MUSCLE HELP FOUNDATION

Report of the Trustees for the Year Ended 28 February 2021

OBJECTIVES AND ACTIVITIES

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FINANCIAL REVIEW

Reserves policy

The Board of Trustees have reviewed the guidance contained in the Charity Commission paper CC19 "Charity Reserves: Building Resilience". The paper acknowledges there is no single level, or even a range of, reserves that is right for all charities. Whilst the charity continues to maintain a **minimum** level of unrestricted undesignated reserves in order to cover 6 months' future operational costs and cash flow "troughs" (estimated currently to be in the region of £50,000), the Board considers a range of 6-12 months to be appropriate in light of:

- (i) the current economic climate
- (ii) the size of the Charity (which leaves it more exposed to adverse economic conditions unlike larger charities)
- (iii) the Charity's expected short to medium term outgoings

The current reserves position of the Charity is as follows:

- (i) The unrestricted reserves at 28 February 2021 amount to £134,285 (2020: £124,466), which notionally exceeds the amount required to maintain a reserve of 6-12 months
- (ii) However, excluding the amount held in the Designated Fund (see below for more information), non-earmarked reserves amount to £104,653 (2020: £94,834). This amount of **non-earmarked** reserves is in line with the Board's policy of 6-12 months of unrestricted reserves

Designated Fund (The "Sustainability Fund")

During the year ended 29 February 2016 an exceptional one-off unrestricted donation / gift of £50,000 was received from a supporter of the Charity. In recognition of the importance to the charity of such a large donation, it was set aside by the Board in a "Designated Fund" (as defined by the Charities Commission and SORP), called The Sustainability Fund ("**The Fund**").

Like any 'personal inheritance', this money should be spent cautiously and wisely, notwithstanding the general consensus acknowledged by the Board that reserves should not be unduly high for a prolonged period of time. The aim of the Charity is to utilise "**The Fund**" for longer term legacy projects and to provide a sound financial future for 'Muscle Dreams' provision, particularly in light of the uncertain economic climate.

The year ended 28 February 2018 proved to be particularly challenging and required £20,368 of the Designated Fund to be utilised. The Designated Fund currently stands at £29,632.

The Board continues to monitor the need and utilisation of "**The Fund**" on a quarterly basis.

COVID-19 Note

In the time since the end of the financial year and the completion of these accounts, the COVID-19 pandemic has ravaged the charity sector. Fundraising is down, due to restrictions placed on groups interacting, and the future of the global economy is looking decidedly uncertain. To this end, the Board has agreed that "**The Fund**" is to be used as a COVID-19 fund, and is to be utilised over the coming years in order to "weather the storm" and ensure the Charity continues to be in a sound financial position, and thus able to continue with its mission of delivering Muscle Dreams interventions to children and young people in the UK with Muscular Dystrophy.

Through our historic prudence, and fiscal discipline, the Charity remains in a strong position. We will continue to maintain this rigour whilst being cognisant of our own risk profile and external factors such as COVID-19.

Results for the year

The Charity's gross income from all sources this year totalled £137,667 (2020: £81,539). Total expenditure was £80,914 (2020: £86,145), which left a surplus for the year of £56,753, primarily representing a surplus balance of £46,934 on restricted funds and a surplus on unrestricted funds of £9,819. The Charity held £186,704 in reserves at the end of the year, of which £104,653 (2020: £94,834) was Unrestricted undesignated reserves, £29,632 (2020: £29,632) was Designated and £52,419 (2020: £5,485) was Restricted.

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Total income increased by £56,128 against prior year, and is the reason for the significant reserves surplus in this financial year. This is due to two restricted funds (from BBC Children in Need and Postcode Neighbourhood Trust) which totalled £54,849 and were received at the end of the financial year. Both of these amounts were for projects that occurred in the next (2021/2022) financial year and inflate the Charity's financial reserves to an unrepresentative level. At time of writing, these projects have concluded and the monies spent. This will inevitably lead to an unrepresentatively negative view in the financial year 2021/2022 where costs are expected to be higher.

Unrestricted income remained at a similar level to 2020, increasing by £1,279. This was primarily driven by grant and trust income, as fundraising and donations from individuals continues to be at a low level.

The Charity's income for this year also includes £5,177 of furlough income. In order to be prudent with the Charity's expenditure, the Board made the decision to furlough CEO M McGrath for part of the first lockdown. This decision was made to take advantage of the furlough scheme and preserve some expenditure in a time when the Charity was unable to deliver Muscle Dreams, both because of the lockdown, and because it was still working on the capabilities to deliver virtual Muscle Dreams.

Total expenditure reduced by £5,231 due to a reduction in Muscle Dream expenditure as a result of the COVID-19 pandemic. Due to the pandemic and the vulnerable nature of MHF's recipients, in-person Muscle Dream experiences have reduced significantly, with most being cancelled. These savings were used to fund the Charity's virtual Muscle Dream experiences as MHF successfully pivoted into digital delivery.

Whilst this financial year MHF received more income than was forecast, the outlook for next financial year is looking poor. The landscape for donations is incredibly challenging, primarily due to the continuation of the COVID-19 pandemic. Individuals' fundraising and donations continue to be at an all-time low and grants/trusts are even more competitive. At time of writing (Dec'21) income is down 80% on PY. The Board has forecast a significant deficit for the year and the utilisation of the Designated COVID-19 fund.

Low Funding Base

As mentioned earlier in this report, the Charity continues to track in-kind value and the Board continue to recognise the key contribution made by many suppliers in support of its Muscle Dream activities in the UK, a core part of the CEO's role.

The Charity operates with a relatively low funding base as a direct consequence of its ability to attract valuable in-kind support. The Board continues to monitor and track the value of such donations, but due to the inherent difficulties in placing an agreed value for accounting purposes, chooses at this time not to include them in the income and expenditure account.

FUTURE PLANS

The charity remains focused on growing support from Trust Funds, sponsors and corporates to enable it to further accelerate Muscle Dream delivery and help reduce the wait list, whilst not diluting the quality.

Following a strategy workshop at the end of the year, the Board has made the decision to put more of a focus on the Muscle Dream programmes (where several beneficiaries and families come together), rather than the individual unique Muscle Dreams. The programmes, such as the Porsche and Flying Muscle Dreams, have been hugely successful and by putting more emphasis on programmes like these, we plan to be able to deliver more high quality Muscle Dreams to more children and young people for the same resource.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The charity is registered as a charitable trust and was set up by a Trust deed. The charity is registered with the Charity Commission.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Trustees are appointed for a term of 3 years and are eligible for reappointment for a further term, up to a maximum of 3 terms (9 years).

The Chair is eligible for re-election annually and may serve up to a maximum of 5 years as Chair. On 26 September 2017 the governing Deed of Trust was amended to provide further flexibility on Chair terms. In exceptional circumstances the Chair can be re-elected beyond the maximum period of five years up to the maximum period as a Trustee (9 years). In such circumstances the extended re-election will be reviewed annually by the Board. This option was exercised last year.

THE MUSCLE HELP FOUNDATION

Report of the Trustees for the Year Ended 28 February 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure

Work Breakdown of CEO

There is often much outrage in the media regarding charities' CEOs and their salaries. Due to the nature of running a small charity on the scale of the Muscle Help Foundation, it should be noted that whilst M McGrath is the CEO of the Charity, he is also its only employee. A larger proportion of his time is spent on operational activities rather than management.

Additionally, part of the unique offering of the Charity is the personal hosting and delivery of Muscle Dreams by M McGrath (who himself has Limb Girdle Muscular Dystrophy) and his wife, S McGrath (Trustee & Carer). This common "lived-experience" helps form deeply profound and empathetic connections with both beneficiaries and families. This also means that a larger percent of M McGrath's time is spent on delivery than would otherwise be ordinarily expected. As such, it is deemed by the Charity's Trustee Board unrepresentative to consider the CEO's wages as purely a management and administration cost - the table below illustrates what is considered a fairer and as such more representative breakdown:

Activity	Est. Proportion of Time	Est. Annual Cost to the Charity
Muscle Dream Delivery	60%	£24,600
Fundraising & Income Generation	20%	£8,200
Management & Admin	10%	£4,100
Marketing & Communications	5%	£2,050
Resourcing	5%	£2,050

The trustees are as follows:

F Sharpe (Chair of Trustees, appointed 1 March 2013) **Resigned 28 Feb 2021 (in period being reported on)**

S Spencer (Trustee, appointed 14 December 2016 and new Chair of Trustees, effective from 1st March 2021)

S McGrath (Charity Secretary, appointed 1 March 2013)

M Adams (Treasurer, appointed 8 January 2020)

M Rudman (Trustee, appointed 1 August 2018)

S McGrath is the wife of M McGrath. The Board acknowledges the potential independence and personal conflict of interest issues that this creates, and accordingly sought clearance from the Charity Commission prior to her appointment to the Board. The Commission concluded "no consents or authorities are required from us in the circumstances based on the detailed background supplied."

The Board have also considered the advice in CC29 "Conflicts of Interest" in relation to "conflicts of loyalty". As a small family charity with a disabled CEO, S McGrath's involvement in the day to day running of the charity is critical to its operation, the enablement of the CEO and the success of Muscle Dreams. The Board always has and will continue to be alert to any potential conflict of interest this brings. The controls put in place by the Board in order to continually monitor, assess and mitigate any conflicts of interest are as follows:

1. The Treasurer takes an active role in advising, monitoring and discussing all operational and financial charity matters with M McGrath and S McGrath;
2. All monies paid into and out of the charity are closely monitored on a day to day basis by the Treasurer via text alerts direct from the bank and the Treasurer has overall control of internet banking;
3. S McGrath can only make payments up to a maximum of £1000 per day - any higher amounts require counter-signature by the Treasurer;
4. All direct debits, standing orders and payments over £1000 are actioned by the Treasurer;
5. Salary payments and amendments for the CEO are managed by the Treasurer, with salary policy set by the Trustee Board (without S McGrath present);
6. The charity has set (and reviews) its Conflict of interest policy;
7. The Register of Interests is updated regularly and at each Trustee Board meeting; and

STRUCTURE, GOVERNANCE AND MANAGEMENT

8. The Board has clearly specified that S McGrath is absent from all parts of Trustee meetings that deal specifically with the CEO's performance or any other matter where S McGrath could be perceived to have a personal conflict of interest that could undermine her ability to act solely in the best interests of the charity.

In light of these controls that the Board has put in place, the actual risk of there being a personal conflict of interest is considered by the Board to be low.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

MHF's Trustee Board continue to support formal risk management procedures, to assess risks and implement strategies to mitigate risk. In terms of their potential and/or likely impact, risks have been identified and classified as outlined below. Against the strategic aims of the charity, the Board review risks and evaluate them against controls.

Whilst there are many risks for the Board to be aware and cognisant of, the below make up what the Board considers to be the "Key Risks" to the Charity, and whilst the mitigation notes are necessarily brief and "high-level", they are a small summary of the considerations and actions that the Board takes on a regular basis, and the inclusion here is for reassurance purposes.

Risk Description	Impact Description	Impact Level	Probability Level	Priority Level	Mitigation Notes
Safeguarding	Someone suffers abuse or harm (particularly a child)	High	Low	High	Extensive, thorough safeguarding policies, standing agenda item at Board meetings, reviewed regularly (audited annually), DBS checks on all volunteers, staff and trustees, etc. (as mentioned above)
M McGrath or S McGrath Health & Wellbeing	Inability to continue Charity operations	High	Low	Medium	Expression-of-Will-document, contingency planning with outside agreement of support, decentralising of duties
S McGrath Conflict of Interest	Bias in evaluation of CEO M McGrath	Low	Low	Low	Limiting payments, removed when discussing CEO performance, etc. (as mentioned above)
Financial Going Concern	Inability to meet financial obligations	High	Low	Medium	Reserves policy, financials reviewed by Board at each meeting, budgeting process, Treasurer receives daily account movement text messages, etc.
Financial Fraud	Financial and reputational impact	High	Low	Medium	Limiting payments and access to bank accounts, regular bank reconciling, Treasurer receives daily account movement text messages, independent examination, etc.
Macro-Environment Factors	Effect of income reduction on the going concern of Charity	Medium	High	High	Reserves policy, financials reviewed by Board at each meeting, budgeting process, careful financial rigour, maximising value-in-kind, etc.

THE MUSCLE HELP FOUNDATION

Report of the Trustees for the Year Ended 28 February 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board Stability	Weakening of Governance and control	Medium	Medium	Medium	New board recruitment process being worked on by external governance advisor, aligning applicants' principles, values and beliefs with the Charity, diversity of representation, etc.
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INDEPENDENT ASSURANCE

The Charity Commission threshold for an audit requirement is £1m gross income, and below that level requires an independent examination of charity accounts. There has been much bad publicity in the sector over the past few years, most often concerning charities significantly bigger than The Muscle Help Foundation (MHF) which has impacted public confidence of the sector.

The Charity Commission in July 2018 published "Trust in Charities 2018", one key finding of which was "the public want charities to demonstrate good stewardship of funds, to live their values, and to demonstrate impact".

MHF's Trustee Board whole-heartedly supported this desire and unanimously agreed that, whilst not required, their financial statements would be subject to independent audit to provide further assurance to our sponsors, donors, supporters and Trust funds.

To that end, the accounts for the year ending 28th February 2019 were given a full independent audit, rather than the usual independent examination. Whilst this was not necessary due to the size of the Charity, the Board was organisationally confident, and welcomed the rigorous process and opportunity to be transparent and provide additional reassurance.

For the year ending 29th February 2021, the Board decided to opt for an independent examination of the charity accounts, as has been done historically. This will be reviewed annually.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1096716

Principal address

Cherry Tree View
6 London Road
Buntingford
Hertfordshire
SG9 9JN

Trustees

Mrs S McGrath
F Sharpe
S Spencer
M Adams
M Rudman

THE MUSCLE HELP FOUNDATION

Report of the Trustees for the Year Ended 28 February 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Stephen Anderson FCCA
Knox Cropper LLP
153-155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

Approved by order of the board of trustees on 22 December 2021 and signed on its behalf by:

S Spencer - Trustee

Independent examiner's report to the trustees of The Muscle Help Foundation

I report to the charity trustees on my examination of the accounts of The Muscle Help Foundation (the Trust) for the year ended 28 February 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Stephen Anderson FCCA
Knox Cropper LLP
153-155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

22 December 2021

THE MUSCLE HELP FOUNDATION

Statement of Financial Activities for the Year Ended 28 February 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		82,731	54,849	137,580	81,242
Investment income	2	87	-	87	297
Total		82,818	54,849	137,667	81,539
 EXPENDITURE ON					
Raising funds		5,593	7,230	12,823	6,450
Charitable activities					
Muscle Dreams		67,406	685	68,091	79,695
Total		72,999	7,915	80,914	86,145
 NET INCOME/(EXPENDITURE)		9,819	46,934	56,753	(4,606)
 RECONCILIATION OF FUNDS					
Total funds brought forward		124,466	5,485	129,951	134,557
 TOTAL FUNDS CARRIED FORWARD		134,285	52,419	186,704	129,951

The notes form part of these financial statements

THE MUSCLE HELP FOUNDATION

Balance Sheet 28 February 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
CURRENT ASSETS					
Cash at bank and in hand		145,698	52,419	198,117	142,851
CREDITORS					
Amounts falling due within one year	6	(11,413)	-	(11,413)	(12,900)
NET CURRENT ASSETS		<u>134,285</u>	<u>52,419</u>	<u>186,704</u>	<u>129,951</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>134,285</u>	<u>52,419</u>	<u>186,704</u>	<u>129,951</u>
NET ASSETS		<u>134,285</u>	<u>52,419</u>	<u>186,704</u>	<u>129,951</u>
FUNDS	7				
Unrestricted funds				134,285	124,466
Restricted funds				<u>52,419</u>	<u>5,485</u>
TOTAL FUNDS				<u>186,704</u>	<u>129,951</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 22 December 2021 and were signed on its behalf by:

S McGrath - Trustee

S Spencer - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

THE MUSCLE HELP FOUNDATION

Notes to the Financial Statements - continued for the Year Ended 28 February 2021

2. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	87	297

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28 February 2021 nor for the year ended 29 February 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 28 February 2021 nor for the year ended 29 February 2020.

4. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2021	2020
Management	1	1

No employees received emoluments in excess of £60,000.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	73,242	8,000	81,242
Investment income	297	-	297
Total	73,539	8,000	81,539
EXPENDITURE ON			
Raising funds	6,450	-	6,450
Charitable activities			
Muscle Dreams	77,180	2,515	79,695
Total	83,630	2,515	86,145
NET INCOME/(EXPENDITURE)	(10,091)	5,485	(4,606)
RECONCILIATION OF FUNDS			
Total funds brought forward	134,557	-	134,557

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	124,466	5,485	129,951

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	1,244	4,073
Taxation and social security	3,305	1,188
Other creditors	6,864	7,639
	11,413	12,900

7. MOVEMENT IN FUNDS

	At 1.3.20 £	Net movement in funds £	At 28.2.21 £
Unrestricted funds			
General Fund	94,834	9,819	104,653
Sustainability fund	29,632	-	29,632
	124,466	9,819	134,285
Restricted funds			
Childwick Trust	5,485	(1,620)	3,865
Postcode Neighbourhood	-	18,140	18,140
BBC Children in Need	-	30,414	30,414
	5,485	46,934	52,419
TOTAL FUNDS	129,951	56,753	186,704

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	82,818	(72,999)	9,819
Restricted funds			
Childwick Trust	-	(1,620)	(1,620)
Postcode Neighbourhood	19,940	(1,800)	18,140
BBC Children in Need	34,909	(4,495)	30,414
	54,849	(7,915)	46,934
TOTAL FUNDS	137,667	(80,914)	56,753

7. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.3.19 £	Net movement in funds £	At 29.2.20 £
Unrestricted funds			
General Fund	104,925	(10,091)	94,834
Sustainability fund	29,632	-	29,632
	<u>134,557</u>	<u>(10,091)</u>	<u>124,466</u>
Restricted funds			
Childwick Trust	-	5,485	5,485
	<u>-</u>	<u>5,485</u>	<u>5,485</u>
TOTAL FUNDS	<u>134,557</u>	<u>(4,606)</u>	<u>129,951</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	73,539	(83,630)	(10,091)
Restricted funds			
Childwick Trust	8,000	(2,515)	5,485
	<u>8,000</u>	<u>(2,515)</u>	<u>5,485</u>
TOTAL FUNDS	<u>81,539</u>	<u>(86,145)</u>	<u>(4,606)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.3.19 £	Net movement in funds £	At 28.2.21 £
Unrestricted funds			
General Fund	104,925	(272)	104,653
Sustainability fund	29,632	-	29,632
	<u>134,557</u>	<u>(272)</u>	<u>134,285</u>
Restricted funds			
Childwick Trust	-	3,865	3,865
Postcode Neighbourhood	-	18,140	18,140
BBC Children in Need	-	30,414	30,414
	<u>-</u>	<u>52,419</u>	<u>52,419</u>
TOTAL FUNDS	<u>134,557</u>	<u>52,147</u>	<u>186,704</u>

7. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	156,357	(156,629)	(272)
Restricted funds			
Childwick Trust	8,000	(4,135)	3,865
Postcode Neighbourhood	19,940	(1,800)	18,140
BBC Children in Need	34,909	(4,495)	30,414
	<u>62,849</u>	<u>(10,430)</u>	<u>52,419</u>
TOTAL FUNDS	<u>219,206</u>	<u>(167,059)</u>	<u>52,147</u>

Designated Funds:

Sustainability Fund

Fund set aside for longer term projects.

Restricted Funds:

Childwick Trust

Childwick Trust acknowledged the importance and potential of powerchair football to the lives of disabled children and young adults by providing much needed further funding for Muscle Warriors PFC.

Postcode Neighbourhood Trust

This donation is restricted to be used to fund items that support the Charity's organisational resilience. This includes upskilling, training, volunteer re-engagement, digital PR and technology.

BBC Children in Need

This donation is restricted to fund delivery of Virtual Muscle Dreams and Virtual Community Engagement, enabling us to support our beneficiaries virtually despite the pandemic.

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 28 February 2021.

9. IMPACT OF COVID-19

The last financial year has been dominated by the impact of the COVID-19 pandemic. It has caused massive disruption to the world, the charity sector and to our Charity's community, where increased levels of distress, emotional trauma and heightened levels of anxiety are prevalent.

Financial Effect

Financially, the Charity was, through strict financial discipline and the reserves position, in a relatively strong position to face the disruption caused by COVID-19.

The Board agreed that "The Sustainability Fund" (as mentioned earlier in the Trustees Report) was to be used as a COVID-19 fund, to ensure that the Charity continues to be in a sound financial position and able to continue delivering on its mission of delivering Muscle Dreams to children and young people with Muscular Dystrophy.

Inevitably, due to a reduction in fundraising events (such as marathons and other group activities), income has slowed from individuals' donations and fundraising. However the Charity already had a diversified income stream, with income coming from donations, fundraising events, grants/trusts and corporate donations.

Over this financial year, the Charity was able to secure some crucial grants and trusts and finishes the year in a strong financial position, however as of writing this (Dec'21) the outlook for the next financial year is looking poor. YTD income is down 80%, with individuals' donations and fundraising continuing to be dramatically reduced. Grants and trusts have also become more and more competitive and challenging to secure funding from. Because of this it is expected that the COVID-19 fund will be utilised in the next financial year.

From an expenditure perspective, in-person Muscle Dream experiences were mostly cancelled. These savings were used to fund the Charity's Virtual Muscle Dream experiences as MHF successfully pivoted into digital delivery. This required new skills and experience and has broadened the Charity's capabilities.

In order to be prudent with the Charity's expenditure, the Board also made the decision to furlough CEO M McGrath for part of the first lockdown. This decision was made to take advantage of the furlough scheme and preserve some expenditure in a time when the Charity was unable to deliver Muscle Dreams, both because of the lockdown, and because it was still working on the capabilities to deliver virtual Muscle Dreams.

In the early days of the pandemic, the Board drew up a scenario plan, detailing the different scenarios that the pandemic may lead to. This document has been treated as a "live document" and has been reviewed at each Board meeting and updated where necessary. This document developed into a contingency plan, detailing what can be done as a reaction to each scenario and has been referenced on an ongoing basis.

The Board adapted to the rapidly changing landscape, and the flexibility afforded by being forced to run meetings via video conferencing software. The Board thus now meets more frequently, with a monthly "Trustee Power Hour" (on top of the usual quarterly meetings) allowing them to be more dynamic and make decisions more quickly, as guidance changes rapidly.

Community Effect

9. IMPACT OF COVID-19 - continued

The Muscle Warrior community is something that the Charity has worked extraordinarily hard to establish and build, and holds very dear. The effect that the COVID-19 pandemic has had on the Charity's community cannot be overstated. Many of the Charity's beneficiaries are frightened, anxious and, as a direct result of having to shield, the scourge of isolation has emerged. Our beneficiaries and their families are shielding, and have been since the beginning of the pandemic (including M McGrath and his family), with some refusing help from carers for fear of them spreading the virus. And so the Charity is needed now more than ever, in continuing its work in bringing the joy and magic of its Muscle Dreams Interventions.

Charity Operations Effect

In order to continue to serve the Charity's beneficiaries but unable to run Muscle Dreams events in the traditional sense, the Charity has responded quickly and pivoted to a digital offering. Among the slew of activities and events the Charity has created are:

- Virtual Muscle Dreams (including: Olly Murs, Lamborghini, Whipsnade Zoo, among others)
- Web video interview series: "In Conversation With"
- Virtual Quiz Nights
- Wellbeing Outreach Muscle Dream Programme (Allowing shielding families to safely relax outside in a socially distanced gathering at Munden Estate)
- Contracting a Virtual Muscle Dream Maker and Virtual Community Engagement Lead to drive virtual events and to reach out and connect with our vulnerable community, continuing to deliver the transformative experiences we are known for

This is all detailed above in the Trustees Report in more detail.