

Charity registration number 1114999

Company registration number 05741930 (England and Wales)

THE BRAIN CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE BRAIN CHARITY

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THE BRAIN CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 March 2022. 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 2015).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Activities

The Brain Charity offers practical help, emotional support and social activities to anyone with a neurological condition and to their family, friends and carers.

We offer a range of services including counselling, employment support, welfare benefits advice, support for carers, social activities and a national information and advice service.

Mission, Values and Strategic Objectives

Our Mission

Our mission is to enable all those affected by neurological conditions to live longer, healthier, happier lives. We will fight together for an inclusive and just society: a world where stigma, hardship and isolation are replaced by compassion and understanding.

Our Values

Kindness We genuinely welcome everyone to our Charity and believe that each person has a unique talent and the ability to make the world a better place.

Commitment We will travel side by side with everyone throughout their journey no matter how complex, how long or how difficult. We roll up our sleeves whenever and wherever we need to.

Authenticity We accept and understand that the broadness of our own diversity and personal experience impacts directly on the level of quality and passion delivered within our services.

Courage We will challenge the status quo, welcome change and bravely take on any new challenges in the spirit of adventure.

Optimism We believe that equality for people with neurological conditions is now within reach and we will strive each and every day until prejudice and lack of opportunity are removed from our society.

Our Current Strategic Objectives

1. Deliver a range of essential and innovative services to meet the needs of our service users.
2. Achieve excellence in the quality of our services.
3. Play our part in the wider disability equality movement by tackling discrimination at a local level.
4. Be ready for growth when it happens.
5. Increase income in order to reach out to more people.

THE BRAIN CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

The charity's diverse income streams have enabled it to continue its work during and after the pandemic and it has continued to see significant growth during this period.

The Brain Charity's original services are now back to a pre-pandemic state and all face-to-face support has now resumed. However, the charity is still coping with the aftermath of the pandemic. The numbers of people requesting support have grown exponentially with many having additional or exacerbated mental health or financial problems. The result of this has been significant waiting times for individuals for many of our services such as counselling and welfare benefit advice. Because of this, we have targeted much of our expenditure on emotional and financial support during this recovery period.

After significant investment in fundraising, 2021/22 saw a step-change in the organisation's ability to generate income from its fundraising activity. We saw a huge increase in the donations made through individual giving and we received news of both our first major legacy, and first significant donation from a major donor.

The charity has also received the largest amount of media interest to date. This has included a televised BBC Lifeline Appeal with representation from Sir Michael Palin and resulted in several press and television requests. A high-profile gift to the charity from Yoko Ono was also received in recognition of our work.

- This year we have supported 3,142 clients with practical help, emotional support and social activities, 85% of which were new beneficiaries.
- 77,190 individuals have accessed support and information via our website.
- We have delivered more than 2,500 counselling sessions.
- 360 people living with dementia and their carers have accessed our 'Music Makes Us!' therapy sessions in person and via our online series.
- We helped 116 jobseekers boost their skills with employment support – including providing 127 confidence coaching sessions.
- A team of 45 volunteers made 8,820 minutes of phone befriending calls.
- 56 children and young people accessed our Innovative Brain Changer Arts Project workshops.
- 242 people attended our diverse programme of classes, activities and education sessions.
- 8,070 people received our newsletter The Nerve in print and via email
- Almost 24,000 people now follow us on social media

Future development

Towards the end of the year a decision was made to extend the life of our current strategic plan to 2024. This was in response to the pandemic and the fact that many objectives within the strategy needed to be put on hold during this period.

A key element of the strategy, to support the expansion of the charity's services, is the introduction of new impact measurement and quality checking systems. Investment in this area will be a key theme for the coming year.

THE BRAIN CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

Performance

Despite continuing challenges from the global pandemic, the Charity generated an overall surplus on the income and expenditure account.

An overall accounting surplus of £48,694 has been set against the reserves (compared to a deficit of £5,565 in the previous year). This comprises an operating surplus of £26,045 (compared to a £52,197 deficit in the previous year) plus a gain on Investments of £22,649 (compared to a gain of £46,632 in the previous year).

It should be noted that the operating surplus includes depreciation totalling £28,808 (£15,194 in the previous year) which did not impact the cash position. The performance on day to day operations before depreciation showed a surplus of £54,853 (compared to a £37,003 deficit in the previous year).

The Trustees are happy with this year's financial performance.

Reserves policy

The Charity's reserves policy is designed to provide the Charity with the financial flexibility to:

- a) fund shortfalls when income does not reach expected levels;
- b) fund unexpected expenditure, for example when projects over-run or unplanned events occur;
- c) ensure that the Charity is not unnecessarily holding back on spending in favour of using the resources it has to meet its charitable objectives.

Investment policy

The objective of the Charity's investment policy is to provide adequate financial resources to support the achievement of the charitable objectives. The Trustees are willing to incur a medium level of risk with a balanced strategy and annually revisit their capacity to incur risk.

The Trustees will not invest directly in tobacco or alcohol shares.

THE BRAIN CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Sub-committees

The Board of Trustees operates two sub-committees:

- Finance & Governance Committee
- Digital & Technology Governance Committee

These sub-committees are made up of suitably qualified Trustees and Senior Management and formally report back to the full Board at each quarterly meeting.

Risk management

The Charity maintains a Risk Register to identify any major issues which may affect the Charity in order that it can assess the potential impact of these should they happen, and mitigate this where possible. The Risk Register uses a 'Likelihood' v 'Level of impact' rating system to assess each perceived risk.

Governing document

The Brain Charity was incorporated on 14 March 2006 and registered as a Charity on 30 June 2006. On 1 April 2007 all of the assets and activities of Mersey Neurological Trusts, an associated charity, were transferred to the Charity.

The Charity is controlled by its governing document, its Articles of Association, and constitutes a private company limited by guarantee, incorporated under the Companies Act 2006 in England and Wales. In February 2020, new Articles of Association were unanimously approved by the Board and filed with Companies House, having been brought up to date in accordance with current legislation and best practice.

Trustee Board

Trustees at 31 March 2022	Role	Background / specialism
Professor Bill Chambers	Chairman	Pro Vice Chancellor Emeritus; leadership and strategic direction
Dr John Plcton	Secretary	Senior Lecturer of Law; charity law and compliance
Tim Walsh FCA	Treasurer	Chartered Accountant; finances and governance
Professor Gus Baker	Board Member	Clinical Neuropsychologist (rtd); specialist neurological input (Resigned 13 July 2021)
Ian Craig	Board Member	IT Director; digital and technology
Theresa Lewin FCIPD	Board Member	HR Professional; people development (Resigned 13 July 2021)
Mark Rea MCS1	Board Member	Chartered Corporate Finance Advisor; business experience
Jackie Sale	Board Member	Head Teacher (rtd); child development and safeguarding
Dr Nick Silver	Board Member	Consultant Neurologist, The Walton Centre; clinical input
Karen Swan	Board Member	Marketing Consultant; brand, communications and PR
Vanessa Boateng	Board Member	Social entrepreneur and local councillor; equality and diversity (Appointed 19 October 2021)
Julle Blomley	Board Member	Chief People Officer; HR Issues (Appointed 19 October 2021)
Dr Perry Moore	Board Member	Consultant Clinical Neuropsychologist; clinical input (Appointed 19 October 2021)

THE BRAIN CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Registered office Norton Street
 Liverpool
 England
 L3 8LR

New Trustees

The Board is currently seeking new Trustees and would positively welcome applications from individuals from under-represented groups and from people with neurological conditions.

Auditor

In accordance with the company's articles, a resolution proposing that Sedulo Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

The Trustees' report was approved by the Board of Trustees.



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Professor WJ Chambers

Chair of Trustees

Dated: 30/11/22

THE BRAIN CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also the directors of The Brain Charity for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE BRAIN CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE BRAIN CHARITY

Opinion

We have audited the financial statements of The Brain Charity (the 'Charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, 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.

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 financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

THE BRAIN CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE BRAIN CHARITY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Hilene Henry (Senior Statutory Auditor)
for and on behalf of Sedulo Audit Limited

Chartered Accountants
Statutory Auditor



.....30/11/2022

62-66 Deansgate
Manchester
United Kingdom
M3 2EN

THE BRAIN CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE BRAIN CHARITY

Sedulo Audit Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE BRAIN CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income and endowments from:							
Donations and legacies	2	109,344	27,749	137,093	52,195	90	52,285
Charitable activities	3	158,404	250,656	409,060	207,338	195,194	402,532
Investments	4	8,670	-	8,670	9,199	-	9,199
Corporate sponsorship		489,375	-	489,375	283,333	-	283,333
Other income	5	217,520	-	217,520	61,370	-	61,370
Total income		983,313	278,405	1,261,718	613,435	195,284	808,719
Expenditure on:							
Raising funds	6	206,466	-	206,466	196,597	49,078	245,675
Charitable activities	7	764,722	264,485	1,029,207	486,208	129,033	615,241
Total expenditure		971,188	264,485	1,235,673	682,805	178,111	860,916
Net gains/(losses) on Investments	11	22,649	-	22,649	46,632	-	46,632
Net incoming/(outgoing) resources before transfers		34,774	13,920	48,694	(22,738)	17,173	(5,565)
Gross transfers between funds		28,319	(28,319)	-	35,640	(35,640)	-
Net movement in funds		63,093	(14,399)	48,694	12,902	(18,467)	(5,565)
Fund balances at 1 April 2021		943,353	14,399	957,752	930,451	32,866	963,317
Fund balances at 31 March 2022		1,006,446	-	1,006,446	943,353	14,399	957,752

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE BRAIN CHARITY

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		667,024		604,610
Investments	13		281,554		276,967
			<u>948,578</u>		<u>881,577</u>
Current assets					
Debtors	14	155,850		33,430	
Cash at bank and in hand		257,067		243,585	
		<u>412,917</u>		<u>277,015</u>	
Creditors: amounts falling due within one year	15	(355,049)		(200,840)	
Net current assets			57,868		76,175
Total assets less current liabilities			<u>1,006,446</u>		<u>957,752</u>
Income funds					
Restricted funds	18		-		14,399
<u>Unrestricted funds</u>					
Designated funds	19	630,000		630,000	
General unrestricted funds		376,446		313,353	
			<u>1,006,446</u>		<u>943,353</u>
			<u>1,006,446</u>		<u>957,752</u>

THE BRAIN CHARITY

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

The Charity is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The Trustees' responsibilities for ensuring that the Charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Charity.

The Trustees have not required the Charity to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 30/11/22



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Professor WJ Chambers
Chair of Trustees

Company Registration No. 05741930

THE BRAIN CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	22		77,971		86,533
Investing activities					
Purchase of tangible fixed assets		(91,220)		-	
Purchase of Investments		(42,469)		(31,237)	
Proceeds from disposal of investments		60,530		16,983	
Investment income received		8,670		9,199	
Net cash used in Investing activities			(64,489)		(5,055)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			13,482		81,478
Cash and cash equivalents at beginning of year			243,585		162,107
Cash and cash equivalents at end of year			<u>257,067</u>		<u>243,585</u>

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

1.1 Accounting convention

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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments and the long leasehold property, which are included at market value, as modified by the revaluation of certain assets.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Charitable funds

Unrestricted funds can be used in accordance with the Charity's objectives at the discretion of 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

1.3 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.

Where there are terms or conditions attached to incoming resources, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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.

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	In accordance with the property
Leasehold improvements	10% on cost
Plant and equipment	10% on cost
Fixtures and fittings	10% on cost
Computers	33% on cost
Mechanical and electrical installation	5% on cost

Long leasehold property depreciation is kept under review and includes long leasehold land which is not depreciated as it is deemed to have an infinite useful economic life.

All classes of tangible fixed asset are included at cost and are reviewed annually for evidence of impairment when there is an indication that the value of the asset may have fallen below its recoverable amount by way of physical deterioration, obsolescence or other change. Where this is the case the value of the asset is written down to its recoverable amount. The recoverable amount of an asset is measured by reference to its net realisable value.

There is no de-minimis limit above which tangible fixed assets are capitalised.

1.6 Taxation

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

1.7 Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

1.8 Irrecoverable valued added tax

Any disallowable input tax incurred either forms part of the corresponding expended resource recognised within the Statement of Financial Activities or where appropriate is capitalised on the Balance Sheet as part of the cost of a fixed asset.

2 Donations and legacies

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and legacies	109,344	27,749	137,093	52,195	90	52,285

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Charitable activities

	Other projects 2022 £	Other projects 2021 £
Grants and charitable activities	409,060	402,532
Analysis by fund		
Unrestricted funds	158,404	207,338
Restricted funds	250,656	195,194
	409,060	402,532

4 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Dividends receivable	8,668	9,198
Interest receivable	2	1
	8,670	9,199

5 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Fundraising events	104,633	14,871
Other income	17,891	3,987
Room hire and rental income	80,184	39,686
Cafe income	14,812	2,826
	217,520	61,370

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Raising funds

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Fundraising and publicity</u>				
Staging fundraising events	15,446	920	-	920
Other fundraising	7,912	2,955	-	2,955
	<u>23,358</u>	<u>3,875</u>	<u>-</u>	<u>3,875</u>
<u>Fundraising and publicity</u>				
	<u>23,358</u>	<u>3,875</u>	<u>-</u>	<u>3,875</u>
<u>Trading costs</u>				
Other trading activities	19,397	21,574	49,078	70,652
Staff costs	161,650	169,542	-	169,542
	<u>181,047</u>	<u>191,116</u>	<u>49,078</u>	<u>240,194</u>
<u>Trading costs</u>				
	<u>181,047</u>	<u>191,116</u>	<u>49,078</u>	<u>240,194</u>
<u>Investment management</u>	2,061	1,606	-	1,606
	<u>206,466</u>	<u>196,597</u>	<u>49,078</u>	<u>245,675</u>

7 Charitable activities

	Other projects 2022 £	Other projects 2021 £
Staff costs	573,610	323,006
Charitable expenditure	40,011	-
Public relations	13,117	-
	<u>626,738</u>	<u>323,006</u>
Share of support costs (see note 8)	386,323	286,397
Share of governance costs (see note 8)	16,146	5,838
	<u>1,029,207</u>	<u>615,241</u>
<u>Analysis by fund</u>		
Unrestricted funds	764,722	486,208
Restricted funds	264,485	129,033
	<u>1,029,207</u>	<u>615,241</u>

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8	Support costs	Support costs	Governance costs	2022	Support costs	Governance costs	2021	Basis of allocation
		£	£	£	£	£	£	
	Staff costs	189,007	-	189,007	173,147	-	173,147	
	Depreciation	28,807	-	28,807	15,194	-	15,194	
	Bank charges	921	-	921	472	-	472	
	Sundries	36,297	-	36,297	5,713	-	5,713	
	Recruitment costs	5,476	-	5,476	2,245	-	2,245	
	Premises and other overheads	75,850	-	75,850	42,891	-	42,891	
	Office costs	4,913	-	4,913	3,860	-	3,860	
	Public relations	4,623	-	4,623	13,101	-	13,101	
	Other costs	-	-	-	10,387	-	10,387	
	Postage and stationery	14,638	-	14,638	9,179	-	9,179	
	Irrecoverable VAT	25,791	-	25,791	10,208	-	10,208	
	Accountancy and related services	-	9,648	9,648	-	4,770	4,770	
	Legal and professional	-	6,498	6,498	-	1,068	1,068	
		386,323	16,146	402,469	286,397	5,838	292,235	
	Charitable activities	386,323	16,146	402,469	286,397	5,838	292,235	

Governance costs includes payments to the auditors of £3,350 (2021- £3,350) in respect of the external scrutiny of the financial statements.

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Trustees

There were no Trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no Trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Management	4	3
Administration, finance, IT & HR	4	6
Carer's advocacy	5	4
Fundraising	3	2
Information and advice	11	5
Communications	1	2
Cafe and room hire	2	2
Employment, counselling & welfare	7	4
Young persons' projects	4	-
Business development	1	1
Total	42	29

Employment costs	2022 £	2021 £
Wages and salaries	802,214	597,609
Social security costs	60,418	36,111
Other pension costs	61,635	31,975
	924,267	665,695

The increase to the Information and Advice team reflects the increased demands on our front-line services.

There were no employees whose annual remuneration was £60,000 or more.

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Net gains/(losses) on Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Revaluation of Investments	<u>22,649</u>	<u>46,632</u>

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12	Tangible fixed assets	Leasehold land and buildings	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Mechanical and electrical installation	Total
		£	£	£	£	£	£	£
	Cost							
	At 1 April 2021	538,312	-	73,785	47,608	44,180	122,854	826,739
	Additions	-	40,909	-	-	50,311	-	91,220
	Transfer	(8,312)	8,312	-	-	-	-	-
	At 31 March 2022	530,000	49,221	73,785	47,608	94,491	122,854	917,959
	Depreciation and impairment							
	At 1 April 2021	-	-	69,379	45,985	44,180	62,583	222,127
	Depreciation charged in the year	-	4,091	1,102	869	16,603	6,143	28,808
	At 31 March 2022	-	4,091	70,481	46,854	60,783	68,726	250,935
	Carrying amount							
	At 31 March 2022	530,000	45,130	3,304	754	33,708	54,128	667,024
	At 31 March 2021	538,312	-	4,405	1,623	-	60,270	604,610

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2021	276,967
Additions	42,469
Valuation changes	21,262
Disposals	(59,144)
	<u>281,554</u>
At 31 March 2022	<u>281,554</u>
Carrying amount	
At 31 March 2022	<u>281,554</u>
At 31 March 2021	<u>276,967</u>

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	140,100	20,736
Prepayments and accrued income	15,750	12,694
	<u>155,850</u>	<u>33,430</u>

The increase in trade debtors relates to the timing of third party invoicing and all invoices have been settled post year-end.

15 Creditors: amounts falling due within one year

	2022 £	2021 £
	Notes	
Other taxation and social security	56,298	57,454
Deferred income	16 257,383	123,357
Trade creditors	8,240	4,932
Other creditors	23,358	11,427
Accruals	9,770	3,670
	<u>355,049</u>	<u>200,840</u>

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Deferred income

	2022 £	2021 £
Other deferred income	257,383	123,357

Deferred Income is included in the financial statements as follows:

	2022 £	2021 £
Deferred Income is included within:		
Current liabilities	257,383	123,357
Movements in the year:		
Deferred income at 1 April 2021	123,357	41,132
Released from previous periods	(122,357)	-
Resources deferred in the year	256,383	82,225
Deferred Income at 31 March 2022	257,383	123,357

We have received a substantial legacy and other grant funding in the year in which we have allocated to expenditure planned for in 2022/23.

17 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £61,635 (2021 - £31,975).

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
Carer's Advocacy project	-	90,787	(90,787)	-	-	102,008	(78,652)	(23,356)	-
Morgan Foundation	-	1,667	(1,667)	-	-	-	-	-	-
Dementia Project	10,763	20,833	(19,319)	(12,277)	-	(16,845)	(20,639)	37,484	-
Children & Young Persons Project	24,456	31,651	(45,572)	1,364	11,899	35,002	(35,162)	(11,739)	-
Sylvia Waddilove	2,500	-	-	-	2,500	-	-	(2,500)	-
Directions	(4,853)	35,260	(5,680)	(24,727)	-	28,723	(22,316)	(6,407)	-
Community Food Services	-	15,086	(15,086)	-	-	-	-	-	-
Horizons	-	-	-	-	-	50,000	(85,104)	35,104	-
LCC Older Care Project	-	-	-	-	-	19,138	(10,230)	(8,908)	-
Gym	-	-	-	-	-	27,749	(4,091)	(23,658)	-
Befriending	-	-	-	-	-	11,000	-	(11,000)	-
Speech Therapy National Lottery	-	-	-	-	-	9,884	(3,200)	(6,684)	-
Criminal Justice Project	-	-	-	-	-	11,745	(5,090)	(6,655)	-
	-	-	-	-	-	-	-	-	-
	32,866	195,284	(178,111)	(35,640)	14,399	278,404	(264,484)	(28,319)	-

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Designated funds

The Income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	Movement In funds		Movement In funds				
	Balance at 1 April 2020	Incoming resources	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£	£	£
Norton Street Centre	530,000	-	530,000	-	-	-	530,000
Building Improvements and maintenance	100,000	-	100,000	12,460	(94,853)	82,393	100,000
	<u>630,000</u>	<u>-</u>	<u>630,000</u>	<u>12,460</u>	<u>(94,853)</u>	<u>82,393</u>	<u>630,000</u>

Norton Street Centre

This is the unrestricted net book value of the long leasehold property.

Building Improvements and Maintenance

The Board have undertaken a review of the Norton Street premises, which is over 25 years old and have identified and scheduled potential repair works which will be required to the building over the next ten years. The Trustees have agreed to designate a proportion of unrestricted Income each year to provide for these future works. The Board believes £100,000 will cover the cost of these repairs.

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	626,146	40,878	667,024	599,197	5,413	604,610
Investments	281,554	-	281,554	276,967	-	276,967
Current assets/(liabilities)	70,427	(12,559)	57,868	67,189	8,986	76,175
	<u>978,127</u>	<u>28,319</u>	<u>1,006,446</u>	<u>943,353</u>	<u>14,399</u>	<u>957,752</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

THE BRAIN CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

22	Cash generated from operations	2022	2021
		£	£
	Surplus/(deficit) for the year	48,694	(5,563)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(8,670)	(9,199)
	Fair value gains and losses on investments	(22,649)	(46,632)
	Depreciation and impairment of tangible fixed assets	28,807	15,194
	Movements in working capital:		
	(Increase)/decrease in debtors	(122,420)	24,306
	Increase in creditors	20,183	26,202
	Increase in deferred income	134,026	82,225
	Cash generated from operations	77,971	86,533
23	Analysis of changes in net funds The Charity had no debt during the year.		