CPOTENTIAL TRUST

England & Wales · Charity number 1124524

Details

Other names	THE PETER RIGBY TRUST, CPOTENTIAL, THE LONDON CENTRE FOR CHILDREN WITH CEREBRAL PALSY
Status	Registered
Legal form	Charitable company
Company number	05848363
Registered	2008-06-16
Register	View on the Charity Commission register

Contact

Address	C Potential Trust 143 Coppetts Road London N10 1JP
Phone	020 8444 7242
Email	info@cpotential.org.uk
Website	http://cpotential.org.uk

Activities

Objects: TO RELIEVE ANY CHARITABLE NEED FOR PERSONS WITH LEARNING, PHYSICAL, COMMUNICATION AND SENSORY DISABILITIES AND THEIR FAMILIES AND CARERS, IN PARTICULAR, BUT NOT EXCLUSIVELY, FOR THE RELIEF OF SICKNESS AND THE ADVANCEMENT OF EDUCATION.

Activities: CPotential Trust (formerly the London Centre for Children with Cerebral Palsy) provides life-changing therapies and support for children with movement disorders due to conditions such as cerebral palsy. Services include conductive education, rebound therapy, music therapy, "learning for living" sessions, Mollii suit assessments, support and information for parents and outreach.

Downloaded from opencharities.uk/ew/1124524

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, People With Disabilities

Geography

- **Area of benefit:** LOCAL
- Buckinghamshire
- Essex
- Hertfordshire
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-30	£875,938	£1,055,656	£290,480	24
2023-12-30	£601,620	£1,018,849	£470,198	23
2022-12-30	£685,431	£997,897	£895,544	24
2021-12-31	£553,482	£983,389	£1,372,965	21
2020-12-31	£364,080	£892,397	-	-

Trustees

Name	Role	Appointed
CATHARINE SEDDON		
Christopher John Gilbert		2014-09-24
Kevin Alexander Clark		2025-12-15
TIMOTHY JOHN HAMMETT		2019-09-01

Downloaded from opencharities.uk/ew/1124524

CPOTENTIAL TRUST

England & Wales - Charity number 1124524

Accounts

Registered number: 05848363
Charity number: 1124524

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Unaudited

Trustees' Report and Financial Statements

For the Year Ended 31 December 2024

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Contents

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 10
Chair of Trustees' Letter	11
Independent Examiner's Report	12 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 34

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 December 2024

Trustees	Christopher Gilbert, Chair Timothy Hammett Raisa Hassan (resigned 13 March 2024) Catherine Seddon Deborah Trigg (resigned 22 February 2024) Howard Cobb (appointed 22 May 2024)
Company registered number	05848363
Charity registered number	1124524
Registered office	143 Coppetts Road London N10 1JP
Chief executive officer	Brett Parker
Accountants	Xeinadin South East Limited 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Barclays Bank plc 223 Muswell Hill Broadway London N10 1DD

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 December 2024

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of CPotential Trust operating as CPotential (the charity and the group) for the year to 31 December 2024. The Trustees confirm that the annual report and financial statements of the charity and the group comply with the current statutory requirements, the requirements of the charity and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Since the charity and the group qualify as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required for this charity. The reference and administrative information set out on page 2 forms part of this report.

Structure, governance, and management

CPotential is a well-established charitable organisation, originally founded in 1963 as The Hornsey Trust for Handicapped Children. The charity was incorporated as a company limited by guarantee (Company Number 05848363) and is governed by its Memorandum and Articles of Association. On 31 December 2008, the original trust was formally dissolved, with all assets transferred to the incorporated entity.

The charity is overseen by a Board of Trustees, who hold the authority to appoint and remove Trustees. The Board meets five times annually, with additional sub-committee meetings held throughout the year to support effective governance. The day-to-day management of the charity is delegated to the Chief Executive Officer and the Senior Leadership Team, which comprises the CEO, Manager of Clinical Services, Director of Resources, and Director of Finance. Two of these senior roles are part-time positions.

To strengthen financial governance and strategic oversight, the charity operates a Finance and Investment Committee. Chaired by Tim Hammett, its members include Chris Gilbert (Chair of Trustees), Brett Parker (Chief Executive Officer), and Agnieszka Kosacz (Director of Finance). The committee meets monthly to review financial performance and projections in detail and to make informed investment recommendations to the Board.

Trustee recruitment is conducted on an ongoing basis to ensure the Board maintains an appropriate balance of skills and experience. An open recruitment process is used, with a structured induction for new Trustees. This includes interviews with the CEO and Chair of Trustees, the opportunity to observe a Board meeting and charity activities, and access to key documents such as Board minutes and relevant guidance from the Charity Commission.

Objectives and activities

The Trustees consult the Charity Commission's public benefit guidance when assessing our goals and planning future activities, ensuring alignment with our objectives. The Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our primary mission is to provide vital therapeutic services and holistic support to children, young people and their families/ caregivers grappling with movement disorders, including cerebral palsy. We seamlessly and holistically blend physical, occupational, and communication therapies into our work. Guided by the ethos that every child holds the potential to learn, thrive, and cultivate confidence, skills, and self-reliance, we dedicate ourselves to nurturing their mobility, motor skills, sensory perception, communication abilities, emotional well-being, problem-solving prowess, and self-sufficiency. Crucially, we integrate these skills into practical applications, fostering a path toward independence.

In 2024 the charity fulfilled its aims and objectives by providing services as follows:

Physiotherapy
Our physiotherapy sessions promote movement, balance, and confidence through regular, structured activity. By strengthening muscles and joints, we help reinforce stability and improve positioning. Using evidence-based task raining, we make sessions engaging and motivating, encouraging meaningful repetition to enhance motor functions such as walking. We also offer personalized intensive physiotherapy tailored to both pre- and post-SDR surgery, supporting each individual's unique journey to greater mobility and independence.

Iona's mum "Our Physiotherapist was prepared and knew exactly what they were going to work on with my child. This intensive block was so beneficial, and everything was engaging for my child. I love her relationship with the therapist and how much she is encouraged!"

Upper Limb Therapy
We integrate Upper Limb Therapy, including Constraint-Induced Movement Therapy (CIMT) and Bimanual Skills Training, into many of our sessions to support the development of hand and arm function. Our tailored therapy packages focus on enhancing hand skills in children with motor disorders, helping them gain confidence and independence in everyday tasks.

Music Therapy
Thanks to the generous and ongoing support of The Amy Winehouse Foundation and BBC Children in Need, our Music Therapy service continues to make a powerful difference in the lives of the children we support. Music becomes a joyful and meaningful way for children to express themselves, nurturing their physical, cognitive, social, and emotional development. Through creative exploration, children build confidence, strengthen self-esteem, and discover new ways to connect with others. As a therapeutic tool, music also offers a safe and supportive space to address behavioural and emotional challenges,helping each child grow and thrive.

Mohamed's mum "We have really been enjoying the Nurturing Notes sessions. My son is vulnerable due to his prematurity, so we appreciate the small group size. Jess is a wonderful facilitator and she pays attention to each child in the group and keeps them all involved."

Conductive Education: is a life-changing approach that empowers children to reach their full potential. By nurturing physical, cognitive, and social development all at once, it fosters greater independence and boosts self-esteem. This dynamic program enhances mobility, coordination, and motor skills, making everyday activities more accessible and enjoyable. Beyond skills development, it creates a supportive community, connecting children and families with others who share similar journeys. Through Conductive Education, children gain valuable social interaction skills, form lasting **friendships, and experience** the joy of growing stronger and more confident, all while having fun along the way.

Sophia's mum "Will (in Conductive Education) has really helped Sophia overall, not just with walking, but with standing, balance and coordination, all while having nice conversations with her. Will also encouraged us to use Makaton sign language at home to enable Sophia to explain things herself. He is also the first person to try tripod sticks for Sophia, and a pure joy to see her trying her best walking with them."

Occupational Therapy: is a dynamic, evidence-based practice that combines scientific precision with motivational strategies to help children and young people overcome barriers and achieve functional independence. Through tailored interventions rooted in developmental neuroscience and task analysis, OT empowers individuals to master complex motor, cognitive, and sensory skills essential for everyday success. Whether refining bilateral coordination for tool use or implementing sensory-motor strategies to regulate behavior and attention, therapists use structured, goal-driven activities to drive measurable progress. This technical yet nurturing approach builds confidence, resilience, and autonomy—equipping each child not only to meet developmental milestones but to thrive in home, school, and community environments.

Halle's mum "Our sessions at CPotential are helping Halle to improve her overall development, and we are eager to see what she achieves in the months to come. Going to CPotential means that Halle has a safe and welcoming environment, that we as a family can learn new exercises to help her become more independent.

Galileo Whole Body Vibration Therapy: An innovative vibration therapy using the full range of vibration platform, tilt table and dumbbells, each plays a vital role in our physiotherapy sessions. The children loved the sensory feedback that vibration gives alongside key benefits to boost a child's mobility and independence: reduces spasticity, improves motor function, improves muscle control, improves balance, improves circulation, builds bone density.

Mollii Suit Assessment and Fitting is an assistive technology that helps relieve spasticity and improves muscle control.

Speech and Language Therapy is a highly specialised and empowering intervention that supports children with complex needs, including those with cerebral palsy, in developing essential communication and feeding skills. Grounded in the science of language development and neuromotor function, therapy sessions are tailored to each child's unique profile, targeting speech clarity, language understanding, expressive communication, and safe swallowing. Therapists use evidence-based methods such as augmentative and alternative communication (AAC), oral-motor exercises, and play-based interaction to unlock each child's potential. This approach not only enhances communication confidence and social participation but also strengthens cognitive and emotional development—giving children the voice and tools they need to connect meaningfully with the world around them.

Maia's mum, Ana "One of my most memorable days at CPotential, in our journey with Maia, was that after many speech and language therapy sessions and a lot of effort, she said 'Dad' for the first time!"

Legal, Educational and Financial support services. With the generous support of Irwin Mitchell and Slater and Gordon, we provided legal, educational and financial service assistance to our CPotential families.

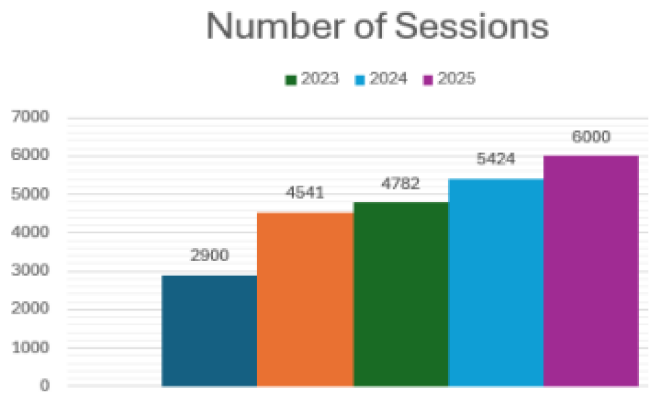
Dedicated Family Support for Parents: With funding from our law firm partners, our Family Support Manager provides tailored assistance to families, offering guidance on funding, counselling, wellbeing, and legal matters. We also host regular parent-led webinars, online legal clinics, coffee mornings, and support an active parent carer WhatsApp group.

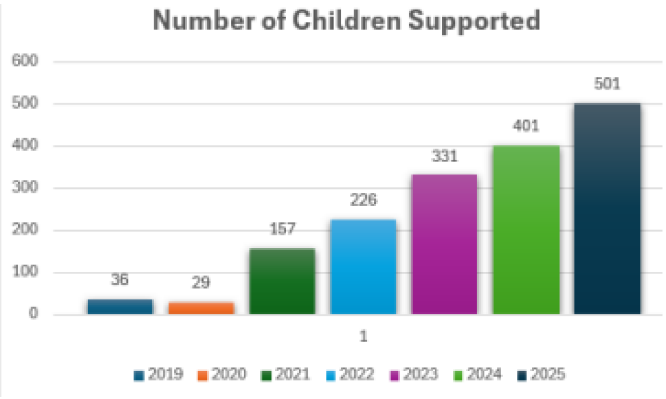
Our Supporters. We are grateful to our funders and supporters who have continued to support our work:

Amy Winehouse Foundation - Atkin Foundation - City Bridge Trust – Irwin Mitchell – Slater & Gordon - David Solomons Charitable Trust - Dora Rebecca Fine Charitable Trust - DWF Foundation - EF & MG Hall Charitable Trust - Garfield Weston Foundation - Harapan - Hazel and Leslie Peskin Charitable - Hospital Saturday Fund – Irwin Mitchell - Lake House Charitable Foundation - Michael Watson Charitable Trust - Outhwaite Charitable Trust – SCOPE - St James's Place Foundation - Tallow Chandlers Benevolent Fund - The Adrienne & Leslie Sussman Charitable Trust - The Alchemy Foundation - The Beehive Fund- The Cecil Rosen Foundation - The David Family Foundation- The D'Oyly Carte Charitable Trust - The Douglas Heath Eves Charitable Trust - The Edward Gostling Foundation -The Gerald and Gail Ronson Family Foundation - The Hadley Trust - The Henhurst Charitable Trust - The Ince Group Charitable Foundation - The Mabs Mardulyn Charitable Foundation - The Mrs Yvonne Flux Charitable Trust - The PAR Charitable Trust - The Patrick and Helena Frost Foundation - The Roan Charitable Trust - The Screwfix Foundation - The Sir James Roll Charitable Trust – Slater and Gordon - The Souter Charitable Trust - The Steven Bloch Image of Disability Charity Trust - The Trysil Charitable Trust - The Tula Trust Limited - Thousandth Man- Richard Burns Charitable Trust - The Worshipful Company of Fan Makers - Webb Family Charitable Trust.

Achievements and performance

In 2024, we saw a rise in the sessions we conducted, totalling **5424** compared to 4782 in 2023. Furthermore, we extended our support to more individual children, reaching **401** compared to 331 in 2023.





In 2022 the trustees and executives established the next stage of the Trust's development with the following objectives:

The Vision

People with movement disorders are empowered to reach their potential.

The Mission

To be the UK champion in unlocking potential in children and young adults with movement disorders by 2027.

Strategic Objectives

By 2025

- Increase the Number of Children Receiving Integrated Therapy: Provide therapy and rehabilitation services to 501 children annually, up from 401.
- Expand Multidisciplinary Team Support: Enhance care coordination by increasing the 70% of children supported by a multidisciplinary team from 280 to 336 within 12 months.
- Enhance Family Engagement and Support: Offer 60 family workshops or support sessions annually, engaging 20% more families than the previous year.
- Raise Community Awareness Through Outreach: Host 88 community events or campaigns annually, reaching an audience of 276 people to improve awareness of movement disorders and CPotential's mission.
- Elevate our Public Profile Nationally: Launch at least 3 national campaigns. Gain at least 2 ambassadors. Host or present at a significant national event.
- Drive Innovation in Therapy and Technology: Introduce and trial 3 new therapeutic techniques or technologies annually, while providing advanced training for 7 therapists to ensure they deliver cutting-edge, effective care.
- Boost Fundraising to Fuel Ambition: We're looking to increase fundraising and commercial activity to meet growing demand.

By 2026

- We will treble the number of interventions undertaken in-house or referred onwards.
- We will treble the number of individuals we empower.
- Our underlying financials will achieve break-even.

What our families have said about out intensive therapy blocks.

"Khari was definitely more stable and stronger by the end of the last session of our intensive block. It was a great learning experience for us as a whole family. **Khari's mum**

"This was the first 2 week intensive we've done at CPotential and it was brilliant. Lola made such good progress in week 2, and we were impressed with how closely Manthan and Sakshi (Physiotherapists) worked together to ensure Lola was working on the same skills. It's lovely that the therapists really know Lola now which makes therapy a lot easier. We'll be back! **Lola's mum**

"The whole week was amazing, but seeing Stanley tackle the parallel bars climbing over boxes underneath and then trying to climb the stairs, he really made me proud! Everyone at CPotential is always friendly and welcoming and so very professional. Sessions were well focussed and clear objectives were set. There were fun sessions, but changes made to keep challenging Stanley, which is just what he needed. I only wish we'd come to CPotential years ago, as we've reached higher goals here than anywhere else. I guess once you know better, then you can do better. Looking to the future not the past." **Stanley's mum**

Financial review

Finance and Investment Overview

The Finance and Investment Committee continued to provide diligent and strategic oversight of the charity's financial performance throughout the year. Through regular review of monthly management accounts, and the implementation of enhanced tools such as trend analysis and scenario planning, the Committee ensured that CPotential remained well-positioneld to navigate financial challenges and plan effectively for the future.

Trustees' Report (continued)
For the Year Ended 31 December 2024

Income

Total reported income for the year reached £875,938 (2024), compared to £601,620 in 2023—an increase of £274,318, largely attributed to the successful sale of a property. Excluding this exceptional item, underlying income stood at £581,066. While this reflects a modest year-on-year decrease, it occurred within the context of external uncertainty linked to Haringey Council's during the recapitalisation process. Encouragingly, early indicators for 2025 show strong momentum, with income projected to rise to £800,000—reflecting renewed confidence and growth in our funding streams.

All income generated has been directed toward delivering the charity's core objectives and further developing a strategic, sustainable business plan designed to enhance long-term impact for our beneficiaries.

Expenditure

We are pleased to report that overall expenditure was carefully managed and remained broadly stable year on year, at £1,055,656 in 2024 compared to £1,018,849 in 2023. This includes an increase of £90,819 in rent costs, demonstrating our ability to absorb rising operational costs while continuing to prioritise service delivery and operational efficiency.

Financial Position

The charity recorded a significant improvement in its financial position, with the annual deficit reduced to (£179,718) in 2024 from (£593,197) in 2023. This positive shift is largely due to the one-off income from the property sale, and it reflects both our proactive financial management and our commitment to building a more sustainable future for CPotential.

Fundraising Income

Our fundraising income was reduced. This was due to the aforementioned details in the recapitalisation **£268,142 (2024) v £336,256 (2023)** However, encouragingly we are on target to achieve £448,000 of fundraising in 2025.

Recapitalisation

In the 2023 accounts, the Trustees reported that the completion of the charity's recapitalisation was delayed due to planning issues with Haringey Council. While we had anticipated finalising this process by the end of 2023, it was ultimately concluded in early 2024. These unforeseen delays—coupled with a challenging commercial property market shaped by rising interest rates—unfortunately impacted the final sale value. The property, originally expected to sell for £1.85 million, was ultimately sold for £1.45 million.

We can now confirm that, following continued delays from Haringey Council, the sale was successfully completed in March 2024. While this brought much-needed closure to a prolonged process, the extended period of uncertainty significantly disrupted our fundraising efforts during the year and placed additional strain on financial planning.

Despite these challenges, the completion of the sale marks a turning point. It allows us to move forward with greater clarity and renewed focus on long-term sustainability. With the recapitalisation now behind us, we are confident in our ability to rebuild momentum, strengthen income streams, and continue delivering vital services to children and young people with complex needs. The Trustees remain committed to ensuring that CPotential emerges from this period with greater resilience and an ambitious, forward-looking strategy.

Bearing the above in mind, and after making appropriate enquiries, the Trustees are confident that the charity has adequate resources to continue in operational existence. For this reason, it is considered appropriate to continue to adopt the going concern basis in preparing the financial statements. Further details regarding the going concern basis can be found in the Accounting Policies in Note 1 to the Accounts.

Plans for 2025 and beyond

Our decision to expand our service capacity continues to prove advantageous. We maintain our confidence that our income will grow, and our losses will decrease throughout 2025 and beyond. Our projections indicate that we are on track to reach an underlying breakeven by 2026.

In 2025, we will persist in monitoring our progress and strive to achieve the following objectives:

- Attain financial break-even by the fiscal year 2026
- Triple the number of in-house interventions or referrals by 2026
- Triple the number of individuals we empower by 2026
- Continue to enhance and diversify the skills and expertise of the Board and the Executive Team

We will continue to develop our strategy to generate growth:

- Exploring additional areas where our services are needed
- Developing new fundraising streams that can support our work
- Pushing forward with our multidisciplinary integrated therapies and embedding impact measures
- Continuing to introduce innovative technologies and effective soft support services that are interconnected.

Risk management

Trustees consider a risk assessment register at every meeting, and this is regularly updated and reviewed by the Senior Leadership Team. This constitutes a regular review of the major risks to which the charity is exposed. AII of these risks are identified and placed on the register. Where appropriate, systems or procedures are established to manage the risks the charity faces.

The culture of the charity is that risk management systems are absorbed into the organisation's daily operations through regular discussion by the Senior Leadership Team and through our policies and procedures. Internal control risks are minimized by the implementation of procedures for the authorization of all financial transactions and projects. Procedures are also in place to ensure compliance with the health and safety and wellbeing of staff, children, and visitors to the charity.

Investment policy

A specialist Trustee investment subcommittee examines the best use of our reserves and develops an investment policy which reflects our needs.

The Investment & Finance Committee is responsible for and ensures that regular reporting procedures are in operation to monitor the performance of all investment related affairs of the Charity.

Reserves policy

The Trustees have determined a reserves policy in the light of the need to maintain a secure and predictable provision of services to young people with disabilities. Specifically, the policy is to seek to maintain sufficient free reserves to allow the charity to cope with seasonal variations in cash flow and with the types of unexpected expenditure and non-receipt of budgeted income that can typically occur in a charity of our type and size. Having analysed the risks of such eventualities occurring, the Trustees believe that a general reserve of minimum of 2 months budgeted total expenditure for the current year is appropriate. This equates to minimum cash reserves of £120,000. With recapitalisation this amount will be met.

Over the next 24 months, our strategy and business plan will allow us to secure sustainable and effective services; fundraising activity and designated reserves will be used to facilitate the growth of new resources, people, and equipment.

Remuneration of senior staff policy

Our policy is to seek to pay key staff at a level that is competitive in the employment market to be able to attract and retain high quality personnel who will contribute to the expansion and strategic direction of the charity. The Trustees approve the salaries budget for each calendar year before the start of the year. The Chair of Trustees decides any changes in the Chief Executive's salary based on a review of performance against the objectives set for the foregoing period and available budget. The Chief Executive approves the salaries of other key staff considering, their performance, current market rates and available budget.

Related parties and connected organisations

There are no issues regarding related parties and connected organisations.

Guarantees

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantors at 31 December 2024 was 10. The Trustees have no beneficial interest in the charitable company.

Statement of Trustees' responsibilities

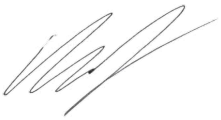
The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Approved by order of the members of the board of Trustees and signed on their behalf by:



Christopher Gilbert (Chair of Trustees)
Date: 15th September 2025

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Chair of Trustees' Letter
For the Year Ended 31 December 2024

Accompanying the 2024 Annual Accounts for CPotential Trust

Dear Supporters and Stakeholders,

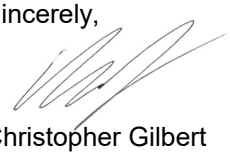
It is with great pride that I present the 2024 Annual Accounts for CPotential Trust. Over the past year, we have made significant progress in delivering our mission, supported by the dedication of our team, the resilience of our beneficiaries, and the generosity of our supporters. Despite a challenging external environment, we have successfully strengthened our services, expanded our reach, and enhanced our financial sustainability.

The Trustees are pleased to report the successful conclusion of the recapitalisation process through the sale of surplus property assets. While this process, as reported last year, involved considerable delays and costs, its completion in 2024 has enabled us to refocus on what matters most—delivering life-changing services. As a result, we are proud to have achieved a 18% increase in the number of sessions our clients attended during the year.

After navigating these complex challenges, the charity remains firmly on track to meet its sustainability target for 2026. This achievement is a testament to the diligence of our skilled service teams, our management, and the unwavering support of our donors and partners, to whom we express our heartfelt thanks.

The needs of the children and families we support continue to grow, and we remain fully committed to meeting those needs, driving innovation, and exploring new ways to deliver holistic, impactful services. Together, we are building a stronger future for every child we serve.

Sincerely,



Christopher Gilbert
Chair of Trustees, CPotential

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Independent Examiner's Report
For the Year Ended 31 December 2024

Independent Examiner's Report to the Trustees of CPotential Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2024.

Responsibilities and Basis of Report

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

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

Independent Examiner's Statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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.

Independent Examiner's Report (continued)
For the Year Ended 31 December 2024

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: Dated:

Samuel Ketcher FCCA

Xeinadin South East Limited
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 December 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Donations and legacies	3	**205,444**	**62,698**	**268,142**	*336,256*
Charitable activities	4	**305,281**	**-**	**305,281**	*264,294*
Investments	5	**7,643**	**-**	**7,643**	*1,070*
Other income	6	**294,872**	**-**	**294,872**	*-*
Total income		**813,240**	**62,698**	**875,938**	*601,620*
Expenditure on:					
Raising funds		**76,187**	**-**	**76,187**	*77,230*
Charitable activities	7	**944,742**	**34,727**	**979,469**	*941,619*
Total expenditure		**1,020,929**	**34,727**	**1,055,656**	*1,018,849*
Net (expenditure)/income before net losses on investments		**(207,689)**	**27,971**	**(179,718)**	*(417,229)*
Exceptional item	12	**-**	**-**	**-**	*(175,968)*
Net movement in funds before other recognised gains/(losses)		**(207,689)**	**27,971**	**(179,718)**	*(593,197)*
Net movement in funds		**(207,689)**	**27,971**	**(179,718)**	*(593,197)*
Reconciliation of funds:					
Total funds brought forward		**449,935**	**20,263**	**470,198**	*1,063,395*
Net movement in funds		**(207,689)**	**27,971**	**(179,718)**	*(593,197)*
Total funds carried forward		**242,246**	**48,234**	**290,480**	*470,198*

CPOTENTIAL TRUST

(A Company Limited by Guarantee)
Registered number: 05848363

Balance Sheet
As at 31 December 2024

	Note		2024 £		*2023 £*
Fixed assets					
Tangible assets	13		**9,039**		*1,045,566*
Current assets					
Debtors: amounts falling due after more than one year	14	**151,465**		-	
Debtors: amounts falling due within one year	14	**142,498**		*19,505*	
Cash at bank and in hand		**91,605**		*37,024*	
		385,568		*56,529*	
Creditors: amounts falling due within one year	15	**(90,850)**		*(609,397)*	
Net current assets / liabilites			**294,718**		*(552,868)*
Total assets less current liabilities			**303,757**		*492,698*
Creditors: amounts falling due after more than one year	16		**(13,277)**		*(22,500)*
Total net assets			**290,480**		*470,198*
Charity funds					
Restricted funds	17		**48,234**		*20,263*
Unrestricted funds	17		**242,246**		*449,935*
Total funds			**290,480**		*470,198*

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Christopher Gilbert
(Chair of Trustees)
Date: 15th September 2025

The notes on pages 17 to 34 form part of these financial statements.

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 December 2024

	2024 £	*2023* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(810,092)**	*(404,528)*
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	**1,311,605**	*-*
Purchase of tangible fixed assets	**-**	*(11,581)*
Net cash provided by/(used in) investing activities	**1,311,605**	**(11,581)**
Cash flows from financing activities		
Cash inflows from new borrowing	**-**	*437,000*
Repayments of borrowing	**(446,932)**	*(9,683)*
Net cash (used in)/provided by financing activities	**(446,932)**	**427,317**
Change in cash and cash equivalents in the year	**54,581**	**11,208**
Cash and cash equivalents at the beginning of the year	**37,024**	*25,816*
Cash and cash equivalents at the end of the year	**91,605**	*37,024*

The notes on pages 17 to 34 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 31 December 2024

1. General information

The charity is a company limited by guarantee and registered in England and Wales. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

CPotential Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are presented in sterling and are rounded to the nearest pound.

2.2 Going concern

The Trustees have assessed the charity's current and projected financial position and, despite the challenges faced by many in the sector, are confident that the charity remains a going concern.

This confidence is based on:

- Expenditure Management: The charity has implemented efficiency measures and technology solutions resulting in projected cost savings in 2025 compared to 2024.
- Growth in Beneficiary Services: The number of beneficiaries using our services continues to increase year on year, strengthening the charity's impact and profile.
- Fundraising Performance: Enhanced fundraising activities and increased recognition have resulted in a projected rise in fundraising income in 2025 compared to 2024.

These positive trends are expected to continue into 2026, supported by ongoing growth in beneficiary numbers and services delivered.

In consequence, the trustees have prepared the financial statement on a going concern basis.

2. Accounting policies (continued)

2.3 Income

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

Voluntary income received by way of donations are included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Income from the sales of goods is accounted for when the goods are sold.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Nursery, school and special care fees shown in the statement of financial activities are accounted for in the period in which the service is provided. Fees received in advance are included in creditors as deferred income.

Investment income is recognised on a receivable basis.

2.4 Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of the full-time equivalent number of staff working in each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The costs of generating funds relate to the cost incurred by the group and charity in raising funds for the charitable work.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Governance Grants

Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company are recognised as income in the period in which it becomes receivable on an accruals basis and recognised immediately in profit and loss.

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold land and buildings	-	2%
Building improvements	-	5%
Fixtures and fittings	-	20%
Furniture and equipment	-	33%

2.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2. Accounting policies (continued)

2.12 Financial instruments

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

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.14 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purpose.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of support costs.

Notes to the Financial Statements
For the Year Ended 31 December 2024

3. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Donations				
Donations from trusts and foundations	180,344	30,000	**210,344**	*257,865*
Donations from individuals	25,100	32,698	**57,798**	*78,391*
	205,444	62,698	**268,142**	*336,256*
	205,444	62,698	**268,142**	*336,256*
Total 2023	*301,436*	*34,820*	*336,256*	

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Sessional services	305,281	**305,281**	*264,294*
Total 2023	*264,294*	*264,294*	

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Bank interest	7,643	**7,643**	*1,070*
Total 2023	*1,070*	*1,070*	

Notes to the Financial Statements
For the Year Ended 31 December 2024

6. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Gain on sale of freehold property	294,872	**294,872**	-

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	*Total 2023 £*
Sessional services	944,742	34,727	**979,469**	*941,619*
Total 2023	*868,607*	*73,012*	*941,619*	

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	*Total funds 2023 £*
Sessional services	441,448	538,021	**979,469**	*941,619*
Total 2023	*321,138*	*620,481*	*941,619*	

Notes to the Financial Statements
For the Year Ended 31 December 2024

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Sessional services 2024 £	Total funds 2024 £	*Total funds 2023 £*
Staff costs	405,942	**405,942**	*266,505*
Other service costs	35,506	**35,506**	*54,633*
	441,448	**441,448**	*321,138*
Total 2023	*321,138*	*321,138*	

Analysis of support costs

	Sessional services 2024 £	Total funds 2024 £	*Total funds 2023 £*
Staff costs	278,019	**278,019**	*373,569*
Depreciation	19,794	**19,794**	*51,018*
Premises, office & IT	171,866	**171,866**	*66,632*
Financial administration	1,434	**1,434**	*1,542*
Advertising costs	6,027	**6,027**	*2,047*
Bank fees	1,917	**1,917**	*1,642*
Interest paid	32,565	**32,565**	*54,366*
Loan set up costs	-	**-**	*11,639*
Professional fees	17,594	**17,594**	*40,647*
Independent Examination fees	4,202	**4,202**	*13,600*
Other support costs	4,307	**4,307**	*3,779*
Bad debt provsion expense	296	**296**	-
	538,021	**538,021**	*620,481*
Total 2023	*620,481*	*620,481*	

Notes to the Financial Statements
For the Year Ended 31 December 2024

9. Independent examiner's remuneration

	2024 £	2023 £
Fees payable to Xeinadin Group Limited and it's subsidiaries for the independent examination of the Charity's annual accounts (fees for 2023 are in relation to audit services)	**2,400**	*15,000*
Fees payable to Xeinadin Group Limited and its associates in respect of:		
All other services not included above	**1,800**	*2,340*

10. Staff costs

	2024 £	2023 £
Wages and salaries	**668,471**	*626,256*
Social security costs	**57,472**	*56,052*
Pension costs	**24,558**	*18,934*
	750,501	*701,242*

Included in staff restructuring costs is one non-statutory/non-contractual severance payment totalling £3,000 (2023 - £Nil).

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Sessional services	**14**	*10*
Fundraising	**2**	*2*
Support	**8**	*11*
	24	*23*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £60,001 - £70,000	**1**	*1*

The key management personnel of the charity comprise the senior management team. Total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the charity was £244,814 (2023 - £243,717).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 December 2024, no Trustee expenses have been incurred *(2023 - £NIL)*.

12. Exceptional items

	2024 £	*2023* *£*
Investment and intercompany loan write-off	**-**	*(175,968)*

In the year ended 31 December 2023 an investment of £Nil, after historic impairment, and an intercompany loan of £175,968 had been written off due to the subsidiary, CPotential Trading, being put into voluntary liquidation in October 2023. The intercompany loan originated in 2016, following a strategic restructuring of the trading division. Over the subsequent six years, multiple initiatives were undertaken to enhance the subsidiary's market presence, sales figures and reduction of overheads. Nonetheless, the subsidiary's performance was adversely impacted by the post-pandemic challenges facing the high street retail sector, notably the competition from online retailers.

13. Tangible fixed assets

	Land & buildings £	Furniture & equipment £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2024	**1,170,474**	**240,863**	**145,813**	**1,557,150**
Disposals	**(1,170,474)**	**(131,446)**	**(120,394)**	**(1,422,314)**
At 31 December 2024	**-**	**109,417**	**25,419**	**134,836**
Depreciation				
At 1 January 2024	**157,206**	**227,712**	**126,666**	**511,584**
Charge for the year	**5,288**	**7,839**	**6,667**	**19,794**
On disposals	**(162,494)**	**(131,446)**	**(111,641)**	**(405,581)**
At 31 December 2024	**-**	**104,105**	**21,692**	**125,797**
Net book value				
At 31 December 2024	**-**	**5,312**	**3,727**	**9,039**
At 31 December 2023	*1,013,268*	*13,151*	*19,147*	*1,045,566*

13. Tangible fixed assets (continued)

On 14 March 2024, the charitable company entered into a sale and leaseback arrangement for the freehold property and land. The property was sold to a third party for £1,450,000, inclusive of deferred consideration being recognised over the next three years totalling £150,000. The carrying amount of the property, and other fixed assets included within the sale, at the date of sale was £1,016,733. The profit on disposal resulted in a gain of £294,872, after legal fees and present value adjustments. This profit has been recognised in the statement of financial activities in the year ended 31 December 2024.

Simultaneously, the company entered into a lease agreement to lease back the property for a term of 15 years. The lease has been classified as an operating lease under FRS 102, as the risks and rewards of ownership have been substantially transferred to the buyer/lessor.

14. Debtors

	2024 £	*2023* *£*
Due after more than one year		
Other debtors	**151,465**	-
	151,465	-

	2024 £	*2023* *£*
Due within one year		
Trade debtors	**15,351**	*18,983*
Other debtors	**49,364**	-
Prepayments and accrued income	**77,783**	*522*
	142,498	*19,505*

Notes to the Financial Statements
For the Year Ended 31 December 2024

15. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank loans	**10,000**	*10,709*
Other loans	**-**	*437,000*
Trade creditors	**21,971**	*15,301*
Other taxation and social security	**13,187**	*81,973*
Other creditors	**7,226**	*18,761*
Accruals and deferred income	**38,466**	*45,653*
	90,850	*609,397*

	2024 £	2023 £
Deferred income at 1 January 2024	**10,000**	-
Resources deferred during the year	**24,590**	*10,000*
Amounts released from previous periods	**(10,000)**	-
	24,590	*10,000*

Deferred income above represents amounts invoiced in advance on sponsorship agreements.

16. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Bank loans	**13,277**	*22,500*

Included within the above are amounts falling due as follows:

	2024 £	2023 £
Between one and two years		
Bank loans	**10,000**	*10,000*
Between two and five years		
Bank loans	**3,277**	*12,500*

Included within Bank Loans is a Bounce Back Loan made available as part of the UK Government Coronavirus support scheme. The loan is guaranteed by the UK Government under BBLS. The loan attracts interest at a rate of 2.50% and is repayable by 60 monthly instalments of £879.33. The final repayment is due in February 2027.

Notes to the Financial Statements
For the Year Ended 31 December 2024

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2024 £
Unrestricted funds					
Designated funds					
Land & building reserve	**1,175,000**	**-**	**-**	**(1,175,000)**	**-**
Maintenance reservce	**185,000**	**-**	**-**	**(185,000)**	**-**
	1,360,000	**-**	**-**	**(1,360,000)**	**-**
General funds					
General funds	**(910,065)**	**813,240**	**(1,020,929)**	**1,360,000**	**242,246**
Total Unrestricted funds	**449,935**	**813,240**	**(1,020,929)**	**-**	**242,246**
Restricted funds					
Equipment fund	**-**	**32,698**	**-**	**-**	**32,698**
Music Therapy Fund	**20,263**	**30,000**	**(34,727)**	**-**	**15,536**
	20,263	**62,698**	**(34,727)**	**-**	**48,234**
Total of funds	**470,198**	**875,938**	**(1,055,656)**	**-**	**290,480**

Notes to the Financial Statements
For the Year Ended 31 December 2024

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2023 £	*Income* £	*Expenditure* £	*Gains/ (Losses)* £	*Balance at 31 December 2023* £
Unrestricted funds					
Designated funds					
Land & building reserve	*1,175,000*	-	-	-	*1,175,000*
Retail reserve	*185,000*	-	-	-	*185,000*
	1,360,000	-	-	-	*1,360,000*
General funds					
General funds	*(355,060)*	*566,800*	*(945,837)*	*(175,968)*	*(910,065)*
Total Unrestricted funds	*1,004,940*	*566,800*	*(945,837)*	*(175,968)*	*449,935*
Restricted funds					
Capital capaign fund	*4,980*	-	*(4,980)*	-	-
Equipment fund	*2,500*	-	*(2,500)*	-	-
Early Intervention fund	*7,666*	-	*(7,666)*	-	-
Weekend Activities	*33,463*	-	*(33,463)*	-	-
Impact Measures Framework	*4,500*	-	*(4,500)*	-	-
Music Therapy Fund	*5,346*	*34,820*	*(19,903)*	-	*20,263*
	58,455	*34,820*	*(73,012)*	-	*20,263*
Total of funds	*1,063,395*	*601,620*	*(1,018,849)*	*(175,968)*	*470,198*

Notes to the Financial Statements
For the Year Ended 31 December 2024

17. Statement of funds (continued)

Purposes of restricted funds	
Capital campaign fund	The capital campaign fund consists of monies donated for the development of an extension and improvements to the Centre's building.
Equipment fund	The equipment fund consists of monies donated for the purchase of small items and capital items for the font-line services.
Early intervention fund	The early intervention fund consists of monies received for delivering our preschool and outreach services.
Music therapy fund	The music therapy fund consists of monies received for the provision of music therapy.
Wellbeing therapy fund	The wellbeing therapy fund consists of monies received for the provision of wellbeing therapies for families.
Speech & Language therapy fund	The speech & language therapy fund consists of monies received for the provision of speech and language therapy.
Weekend activities	The weekend activities fund received monies for provision of play activities at weekends.
Immersive Story	The Immersive Story fund consists of monies to deliver reading and storytelling activities.
Impact Measures Framework	The Impact Measures Framework consists of monies to develop an outcome indicators in therapy services effectiveness.
Purposes of designated funds	
Land & building reserve	The land and building reserve represents the unrestricted funds invested in the charity's freehold land and buildings plus an allowance for forthcoming additions which are not therefore available for other purposes.
Maintenance reserve	The maintenance reserve is monies set aside by the Trustees for the future maintenance of the charity's land and buildings.
Retail reserve	The retail reserve represents money loaned to the charity's trading subsidiary company and therefore not available for other purposes.
Innovation reserve	The innovation reserve is monies set aside by the trustees in order to be able to pilot new activities that do not yet have funding including new services, new partnerships and new fundraising programmes.
Events reserve	The events reserve is money set aside to allow for the organising of fundraising and promotional events where costs have to be paid out before income is received.

Notes to the Financial Statements
For the Year Ended 31 December 2024

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2024 £
Designated funds	**1,360,000**	**-**	**-**	**(1,360,000)**	**-**
General funds	**(910,065)**	**813,240**	**(1,020,929)**	**1,360,000**	**242,246**
Restricted funds	**20,263**	**62,698**	**(34,727)**	**-**	**48,234**
	470,198	**875,938**	**(1,055,656)**	**-**	**290,480**

Summary of funds - prior year

	Balance at 1 January 2023 £	*Income £*	*Expenditure £*	*Gains/ (Losses) £*	*Balance at 31 December 2023 £*
Designated funds	*1,360,000*	*-*	*-*	*-*	*1,360,000*
General funds	*(355,060)*	*566,800*	*(945,837)*	*(175,968)*	*(910,065)*
Restricted funds	*58,455*	*34,820*	*(73,012)*	*-*	*20,263*
	1,063,395	*601,620*	*(1,018,849)*	*(175,968)*	*470,198*

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	9,039	-	**9,039**
Debtors due after more than one year	151,465	-	**151,465**
Current assets	185,869	48,234	**234,103**
Creditors due within one year	(90,850)	-	**(90,850)**
Creditors due in more than one year	(13,277)	-	**(13,277)**
Total	242,246	48,234	**290,480**

Notes to the Financial Statements
For the Year Ended 31 December 2024

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	*Restricted funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	*1,045,566*	*-*	*1,045,566*
Current assets	*36,266*	*20,263*	*56,529*
Creditors due within one year	*(609,397)*	*-*	*(609,397)*
Creditors due in more than one year	*(22,500)*	*-*	*(22,500)*
Total	*449,935*	*20,263*	*470,198*

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

	2024 £	*2023 £*
Net expenditure for the period (as per Statement of Financial Activities)	**(179,718)**	*(593,197)*
Adjustments for:		
Depreciation charges	**19,794**	*51,018*
Loss/(profit) on the sale of fixed assets	**(294,872)**	*-*
Decrease/(increase) in debtors	**(274,458)**	*128,530*
Increase/(decrease) in creditors	**(80,838)**	*9,121*
Net cash used in operating activities	**(810,092)**	*(404,528)*

21. Analysis of cash and cash equivalents

	2024 £	*2023 £*
Cash in hand	**91,605**	*37,024*
Total cash and cash equivalents	**91,605**	*37,024*

Notes to the Financial Statements
For the Year Ended 31 December 2024

22. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	**37,024**	**54,581**	**91,605**
Debt due within 1 year	**(447,709)**	**437,709**	**(10,000)**
Debt due after 1 year	**(22,500)**	**9,223**	**(13,277)**
	(433,185)	**501,513**	**68,328**

23. Pension commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £24,588 (2023: £18,934). Contributions totaling £3,201 (2023: £549) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 December 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	*2023 £*
Not later than 1 year	**120,000**	-
Later than 1 year and not later than 5 years	**480,000**	-
Later than 5 years	**1,110,000**	-
	1,710,000	-

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2024 £	*2023 £*
Operating lease rentals	**90,000**	-

25. Related party transactions

During the year ended 31 December 2023, CPotential Trust loaned amounts totalling £40,717 to CPotential Trading Limited, its subsidiary company. CPotential Trust received repayments of £42,300 from CPotential Trading Limited and wrote off an outstanding loan amount of £175,968 due to the subsidiary entering liquidation in November 2024. CPotential Trust also recharged £8,000 of liquidation costs to CPotential Trading Limited in the year ended 31 December 2023. No amounts remained outstanding at the balance sheet date. No transactions took place in the year ended 31 December 2024.

CPOTENTIAL TRUST

England & Wales - Charity number 1124524

Accounts

Registered number: 05848363
Charity number: 1124524

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

For the Year Ended 31 December 2023

CPOTENTIAL TRUST
(A Company Limited by Guarantee)

Contents

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 10
Chair of Trustees' Letter	11
Independent Auditors' Report on the Financial Statements	12 - 14
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18 - 34

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers For the Year Ended 31 December 2023

Trustees	Christopher Gilbert, Chair Anthony Dowle (resigned 27 September 2023) Timothy Hammett Raisa Hassan (resigned 13 March 2024) Catherine Seddon Deborah Trigg (resigned 22 February 2024) Howard Cobb (appointed 22 May 2024)
Company registered number	05848363
Charity registered number	1124524
Registered office	143 Coppetts Road London N10 1JP
Chief executive officer	Brett Parker
Independent auditors	Xeinadin Audit Limited Chartered Accountant Statutory Auditor 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Barclays Bank plc 223 Muswell Hill Broadway London N10 1DD

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 December 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of CPotential Trust operating as CPotential for the year to 31 December 2023. The Trustees confirm that the annual report and financial statements of the charitycomply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required for this charity. The reference and administrative information set out on page 1 forms part of this report.

Structure, governance, and management

CPotential is a long-established charity, which was founded as The Hornsey Trust for Handicapped Children in 1963. The charity is a company limited by guarantee (Company Number 05848363) and is governed by its Memorandum and Articles of Association. The Hornsey Trust for Handicapped Children was dissolved, and its assets were duly transferred to the company on 31 December 2008.

The charity is managed by a Board of Trustees and the power of appointing and removing Trustees lies with the Trustees. The Board meets five times a year with various sub-committees meetings in between. Day to day management of the charity is delegated to the Chief Executive Officer and the Senior Leadership Team. The Senior Leadership Team comprised the CEO, Manager of Clinical Services, Director of Resources and Director of Finance; two of these positions are part-time.

The charity operates with a Finance and Investment Committee aimed at enhancing financial oversight and strategic planning. Tim Hammett leads as chair, with members including Chris Gilbert (Chair of Trustees), Brett Parker (CEO), and Agnieszka Kosacz (Director of Finance). This committee convenes monthly to scrutinise financial performance and forecasts meticulously. It then advises and implements investment decisions, reporting back to the main board.

The recruitment and appointment of Trustees is undertaken on an on-going basis to maintain appropriate numbers and skills. The charity uses an open recruitment process. There is an induction process for new Trustees, which includes an interview with the Chief Executive Officer and the Chair of Trustees, the opportunity to observe a Board meeting, an opportunity to observe the charity's activities first-hand and the provision of various documents such as copies of Board minutes, and Charity Commission guidance and information.

Objectives and activities

The Trustees consult the Charity Commission's public benefit guidance when assessing our goals and planning future activities, ensuring alignment with our objectives. The Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our primary mission is to provide vital therapeutic services and holistic support to children, young people and their families/ caregivers grappling with movement disorders, including cerebral palsy. We seamlessly and holistically blend physical, occupational, and communication therapies into our work. Guided by the ethos that every child holds the potential to learn, thrive, and cultivate confidence, skills, and self-reliance, we dedicate ourselves to nurturing their mobility, motor skills, sensory perception, communication abilities, emotional well-being, problem-solving prowess, and self-sufficiency. Crucially, we integrate these skills into practical applications, fostering a path toward independence.

In 2023 the charity fulfilled its aims and objectives by providing services as follows:

Physiotherapy. Regular physiotherapy encourages movement and balance, helping to strengthen muscles and joints and reinforces stability and positioning. Our physiotherapy utilises evidence-based task training to provide fun and motivating repetition to get the task practice and to improve motor functions such as walking. We also provided tailored intensive pre- and post-SDR surgery physiotherapy.

Maeve's mum *"I just want to say a very big thank you to CPotential. The way Maeve responds to Andrea in physiotherapy and does everything she tells her to do is amazing. Andrea, you're really special and CPotential are really lucky to have you! Thank you for the extra care and time you spend with Maeve!"*

Upper Limb Therapy, CIMT (Constraint Induced Movement Therapy) and **Bimanual Skills Training** are integrated into most therapy sessions. We delivered a range of therapy packages focusing on hand skills for children with motor disorders.

Music Therapy. We are very grateful to The Amy Winehouse Foundation for their continuing supporting of our Music Therapy service which has such a positive impact on children's physical, cognitive, social and emotional development and gives children new opportunities to express themselves, leading to increased confidence and self-esteem. It is also a psychological therapy in which behavioural and emotional difficulties can be explored and tackled.

Bea's mum *"My daughter Bea attends CPotential and I think they are an amazing organisation. She absolutely loves the music therapy sessions with Ruth. I love CPotential's philosophy on making therapy affordable and seeing huge potential in every child."*

Conductive Education brings remarkable benefits, transforming lives. This holistic approach boosts physical, cognitive, and social development simultaneously, fostering independence and self-esteem. It enhances mobility, coordination, and motor skills, making daily activities easier. It builds a supportive community, connecting children and families with peers facing similar challenges. Conductive Education enriches children's lives, helping them to build friendships and gain social interaction skills while having fun and building their self-esteem.

Eva's mum *"Thank you for all the support and guidance! Since Eva has been coming to Conductive Education sessions and physiotherapy at CPotential, she has gained confidence and her mobility in getting around has definitely improved. She also now uses her unaffected hand well and is starting to grasp and release using her affected hand too. As parents, we also now feel we are able to better support Eva and manage her behaviour."*

Occupational Therapy and **Sensory Integration** are powerful tools for empowering children and young people facing physical, sensory, or cognitive challenges that hinder their engagement in everyday life. By harnessing the therapeutic potential of daily activities, we enable children to not only cultivate, regain, and enhance their abilities but also sustain vital life skills. These encompass self-care routines, including dressing, toileting, and eating, as well as school-ready proficiencies like handwriting and scissor use. Our approach fosters concentration, sharpens focus on activities, and enriches the learning experience.

Mark's mum *"Mark absolutely loves OT and Bimanual Therapy with the amazing Paula, especially the sensory swing, ball pit and making dinosaur toys. It's been hard work, but lots of great progress made. It's the people that make a place special and CPotential definitely has the most caring and amazing team we could have wished for. We are so thankful."*

Galileo Whole Body Vibration Therapy. An innovative vibration therapy using the full range of vibration platform, tilt table and dumbbells, each plays a vital role in our physiotherapy sessions. The children loved the sensory feedback that vibration gives alongside key benefits to boost a child's mobility and independence: reduces spasticity, improves motor function, improves muscle control, improves balance, improves circulation, builds bone density.

Mollii Suit Assessment and Fitting is an assistive technology that helps relieve spasticity and improves muscle control.

Speech and Language Therapy is a life-improving treatment and support that develops speech, language, functional communication, and social communication for children who have difficulties with communication or with eating, drinking, and swallowing.

Amelia's mum *"Amelia really has flourished at CPotential and we are so very grateful for every moment you have all put into her care. Her communication has improved so much since starting speech and language therapy, and her interaction with us and everything around her, We feel much closer as a whole family now we can interact better."*

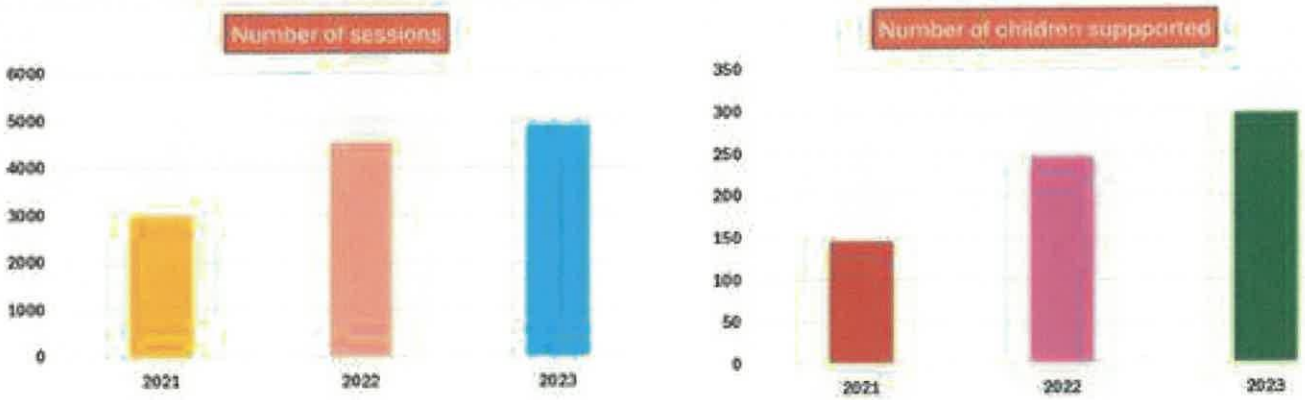
Legal, Educational and Financial support services. With the generous support of Irwin Mitchell, we provided legal, educational and financial service assistance.

Our Supporters. We are grateful to our funders and supporters who have continued to support our work:

Amy Winehouse Foundation - Atkin Foundation - City Bridge Trust – Irwin Mitchell – Slater & Gordon - David Solomons Charitable Trust - Dora Rebecca Fine Charitable Trust - DWF Foundation - EF & MG Hall Charitable Trust - Garfield Weston Foundation - Harapan - Hazel and Leslie Peskin Charitable - Hospital Saturday Fund - Lake House Charitable Foundation - Michael Watson Charitable Trust - Outhwaite Charitable Trust – SCOPE - St James's Place Foundation - Tallow Chandlers Benevolent Fund - The Adrienne & Leslie Sussman Charitable Trust - The Alchemy Foundation - The Beehive Fund- The Cecil Rosen Foundation - The David Family Foundation- The D'Oyly Carte Charitable Trust - The Douglas Heath Eves Charitable Trust - The Edward Gostling Foundation -The Gerald and Gail Ronson Family Foundation - The Hadley Trust - The Henhurst Charitable Trust - The Ince Group Charitable Foundation - The Mabs Mardulyn Charitable Foundation - The Mrs Yvonne Flux Charitable Trust - The PAR Charitable Trust - The Patrick and Helena Frost Foundation - The Screwfix Foundation - The Sir James Roll Charitable Trust - The Souter Charitable Trust - The Steven Bloch Image of Disability Charity Trust - The Trysil Charitable Trust - The Tula Trust Limited - Thousandth Man-Richard Burns Charitable Trust - The Worshipful Company of Fan Makers - Webb Family Charitable Trust

Achievements and performance

In 2023, we saw a rise in the sessions we conducted, totalling 4782 compared to 4541 in 2022. Furthermore, we extended our support to more individual children, reaching 283 compared to 246 in 2022.



In 2022 the trustees and executives established the next stage of the Trust's development with the following objectives:

The Vision
People with movement disorders are empowered to reach their potential.

The Mission
To be the UK champion in unlocking potential in children and young adults with movement disorders by 2027

Strategic Objectives

By 2024
- We will continue to increase the number of children we support.
- We will introduce new technologies to assist with therapies.
- Expand our networks and support children from a wider geographic area.
- Continue to develop and strengthen our bursary support by way of fundraising.

By 2026
- We will treble the number of interventions undertaken in-house or referred onwards.
- We will treble the number of individuals we empower.
- Our underlying financials will achieve break-even.

What our families have said about out intensive therapy blocks.

"Everything was great at CPotential. We had a great experience during Freddie's intensive therapy block. Exercises were just the right level of challenge and we've seen great progress over just two weeks. Our highlight was Freddie walking for 15 minutes on the treadmill." ***Freddie's mum***

"Our intensive therapy block at CPotential was perfect, and all the staff are very knowledgeable. A highlight for us was seeing Dominic using his muscles to sit up." ***Dominic's mum***

"It was a great experience from start to finish. Our highlight was seeing how well Harry did in DMI (Dynamic Movement Intervention) and how much he enjoyed the spider cage. The gains we see from intensive therapy are amazing. Harry wouldn't be where he is without them." ***Harry's dad***

Trustees' Report (continued)
For the Year Ended 31 December 2023

Financial review

The Finance and Investment committee continued to tightly manage the financial performance of the charity by regularly reviewing monthly management accounts and introducing trend analysis and scenario planning.

Income
In 2023 we were pleased to increase our operating income by **20.6%** to **£601,620 (2023) v £498,948 (2022).**

Income from all sources has been used to support the delivery of the charity's key objectives, and to develop a strategy and deliver a business plan, that ensures sustainable growth and the best possible impact for our beneficiaries.

Expenditure

In 2023 we were subjected to a total of **£250,370** extraordinary non-operational costs:

i) **The closure of the trading subsidiary:** Despite all efforts to make the trading subsidiary financially stable enough to repay the initial set up and support loans, a combination of the pandemic's impact and rising cost of living expenses made this goal unattainable. Instead of accumulating more debt within the charity, the decision was made to liquidate the trading company. As a result, the intercompany loan of £175,968 was declared irrecoverable and written off. This appears on the accounts as an exceptional item.

ii) **Interest on bridging finance:** The charity faced significant delays in its refinancing plans due to challenging negotiations with Haringey Council over a planning issue related to our Coppetts Road premises. As a result, the charity had to resort to taking out a bridging loan, incurring £52,462 in interest charges.

iii) **Legal and professional fees on refinancing:** The delays and difficulties also resulted in the charity having to pay £21,940 in legal and professional fees.

These exceptional items saw a year-on-year increase in expenditure **£1,018,849 (2023) v £808,515 (2022)**

The extraordinary expenditure resulted in an increased year-on-year loss **£593,197 (2023) v £309,570 (2022).**

This is a disappointing overall result, however, when adjusted to remove the extraordinary expenditure items the loss position is clearer: **£342,827 (2023) v £309,570 (2022).** This increase in loss is a reflection of our investment in new therapists and the continued growth of services.

Fundraising Income
We were pleased to see a continued improvement of **5%** growth in our fundraising **£336,256 (2023) v £318,934 (2022).**

The Charity income breakdown is as follows:

	2023	**2022**
Donations and capital grants	£336,256	£318,934
Charitable activity	£264,294	£180,011
Investments	£1,070	£ 3
Total Income	**£601,620**	**£498,948**

Recapitalisation
In the 2022 accounts the trustees detailed that *"The Trustees, mindful of the reduction of the charities working capital during the pandemic have, after careful consideration, decided to release capital by way of a sale and lease back on its Coppetts Road asset. It is expected that this will generate £1.85m to recapitalise the charity. Negotiations for this will be concluded in 2022 and the board will take all the required fiduciary and legal advice to ensure full charitable compliance".*

By the end of 2023 the completion of the recapitalisation was further postponed due to the planning issues with Haringey Council. It was finally completed in early 2024. Unfortunately, these unexpected delays have led to a decrease in property's value. The commercial property market has been affected by higher interest rates, and

Haringey Council has also imposed significant costs on us. Consequently, the final sale price was set at £1.3 million, compared to the originally expected £1.85 million.

Bearing the above in mind, and after making appropriate enquiries, the Trustees are confident that the charity has adequate resources to continue in operational existence. For this reason, it is considered appropriate to continue to adopt the going concern basis in preparing the financial statements. Further details regarding the going concern basis can be found in the Accounting Policies in Note 2 to the Accounts.

Plans for 2023 and beyond
Our decision to expand our service capacity continues to prove advantageous. We maintain our confidence that our income will grow, and our losses will decrease throughout 2024 and beyond. Our projections indicate that we are on track to reach an underlying breakeven by 2026.

In 2024, we will persist in monitoring our progress and strive to achieve the following objectives:
- Attain financial break-even by the fiscal year 2026
- Triple the number of in-house interventions or referrals by 2026
- Triple the number of individuals we empower by 2026
- Enhance and diversify the skills and expertise of the Board and the Executive Team by the end of 2024

We will continue to develop our strategy to generate growth:
- Exploring additional areas where our services are needed
- Developing new fundraising streams that can support our work
- Pushing forward with our multidisciplinary integrated therapies and embedding impact measures
- Continuing to introduce innovative technologies and effective soft support services that are interconnected.

Risk management
Trustees consider a risk assessment register at every meeting, and this is regularly updated and reviewed by the Senior Leadership Team. This constitutes a regular review of the major risks to which the charity is exposed. All of these risks are identified and placed on the register. Where appropriate, systems or procedures are established to manage the risks the charity faces.

The culture of the charity is that risk management systems are absorbed into the organisation's daily operations through regular discussion by the Senior Leadership Team and through our policies and procedures. Internal control risks are minimized by the implementation of procedures for the authorization of all financial transactions and projects. Procedures are also in place to ensure compliance with the health and safety and wellbeing of staff, children, and visitors to the charity.

Investment policy
A specialist Trustee investment subcommittee examines the best use of our reserves and develops an investment policy which reflects our needs.

The Investment & Finance Committee is responsible for and ensures that regular reporting procedures are in operation to monitor the performance of all investment related affairs of the Charity.

Reserves policy
The Trustees have determined a reserves policy in the light of the need to maintain a secure and predictable provision of services to young people with disabilities. Specifically, the policy is to seek to maintain sufficient free reserves to allow the charity to cope with seasonal variations in cash flow and with the types of unexpected expenditure and non-receipt of budgeted income that can typically occur in a charity of our type and size. Having analysed the risks of such eventualities occurring, the Trustees believe that a general reserve of minimum of 2 months budgeted total expenditure for the current year is appropriate. This equates to minimum cash reserves of £120,000. With recapitalisation this amount will be met.

Over the next 24 months, our strategy and business plan will allow us to secure sustainable and effective services; fundraising activity and designated reserves will be used to facilitate the growth of new resources, people, and equipment.

Trustees' Report (continued)
For the Year Ended 31 December 2023

Remuneration of senior staff policy
Our policy is to seek to pay key staff at a level that is competitive in the employment market to be able to attract and retain high quality personnel who will contribute to the expansion and strategic direction of the charity. The Trustees approve the salaries budget for each calendar year before the start of the year. The Chair of Trustees decides any changes in the Chief Executive's salary based on a review of performance against the objectives set for the foregoing period and available budget. The Chief Executive approves the salaries of other key staff considering, their performance, current market rates and available budget.

Related parties and connected organisations
There are no issues regarding related parties and connected organisations.

Statement of responsibilities of the Trustees

With regard to the attached accounts, it is the responsibility of the Trustees 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 (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Guarantees
Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantors at 31 December 2022 was 10. The Trustees have no beneficial interest in the charitable company.

Disclosure of information to auditors
In so far as the Trustees are aware:
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' Report (continued)
For the Year Ended 31 December 2023

Auditors
The Trustees wish to continue the appointment of the charity's auditors, Xeinadin Audit Limited who have indicated their willingness to continue in that capacity.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Christopher Gilbert
(Chair of Trustees)
Date: 28th June 2024

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Chair of Trustees' Letter
For the Year Ended 31 December 2023

Accompanying the 2023 Annual Accounts for CPotential Trust

Dear Supporters and Stakeholders,

I am writing to present the 2023 annual accounts for CPotential, reflecting both the challenges and the significant progress we achieved throughout the year. Despite facing numerous obstacles, our commitment to improving the lives of the children we support remains steadfast.

The delays in finalising the charity's recapitalisation, primarily due to complications with Haringey Council, posed severe challenges. Our working capital, already weakened by the pandemic, further strained our operations and fundraising efforts. These delays incurred extraordinary costs amounting to £74,402 and resulted in an estimated fundraising loss of approximately £60,000. We are pleased to report that the recapitalisation was completed in March 2024, although at a reduced value due to the delays.

In 2023, it became apparent that our retail outlet, still recovering from the pandemic, was further impacted by rapidly increasing costs. To prevent further losses and escalating debt, the board made the difficult decision to close our remaining shop and liquidate the trading company. This resulted in writing off long-term debt of £175,968 incurred during the retail venture's startup phase.

Overall, we faced extraordinary non-operational costs totalling £250,370 in 2023. Consequently, our year-on-year loss increased to £593,197 in 2023 from £309,570 in 2022. While this is a disappointing result, excluding extraordinary expenditures clarifies the position: a loss of £342,827 in 2023 compared to £309,570 in 2022. When considering the loss of fundraising, the year-on-year position is essentially equalized.

Despite these financial challenges, we continued to advance our mission. In 2023, we conducted 4,782 sessions, up from 4,541 in 2022, and supported 283 individual children, an increase from 246 in the previous year. We further consolidated our service integration and embedded our impact measurement system. The introduction of extended therapy plans and intensive therapy blocks expanded our geographic reach, allowing us to support children in areas with reduced local service provision.

We are pleased to report that recognition of our approach and our reputation for delivering high quality, therapeutically evidenced services are growing rapidly. During 2023 we have been selected by the leading biotech organisation, Marsi Bionics (Madrid) as the sole partner to trial the UKs first paediatric exoskeleton. Trials will begin in early 2024.

In conclusion, despite the obstacles we faced, our operational team and trustees remain dedicated to enhancing the lives of the children we support. We extend our heartfelt gratitude to the individuals, staff, trust funds, and companies that have unwaveringly supported us throughout this journey. Together, we are profoundly impacting the lives of those we serve.

Thank you for your continued support.

Sincerely,

Christopher Gilbert
Chair of Trustees, CPotential

Independent Auditors' Report to the Members of CPotential Trust

Opinion

We have audited the financial statements of CPotential Trust (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditors' Report to the Members of CPotential Trust (continued)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of CPotential Trust (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur.

2. Held discussions with the client regarding their policies and procedures on compliance with laws and regulations.

3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Limited

Xeinadin Audit Limited
Chartered Accountant
Statutory Auditor
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 28 June 2024

Xeinadin Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CPOTENTIAL TRUST

(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 December 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:					
Donations and legacies	3	**301,436**	**34,820**	**336,256**	*318,934*
Charitable activities	4	**264,294**	**-**	**264,294**	*180,011*
Investments	5	**1,070**	**-**	**1,070**	*3*
Total income		**566,800**	**34,820**	**601,620**	*498,948*
Expenditure on:					
Raising funds		**77,230**	**-**	**77,230**	*87,514*
Charitable activities	6	**868,607**	**73,012**	**941,619**	*721,004*
Total expenditure		**945,837**	**73,012**	**1,018,849**	*808,518*
Net expenditure before net losses on investments		**(379,037)**	**(38,192)**	**(417,229)**	*(309,570)*
Exceptional item	11	**(175,968)**	**-**	**(175,968)**	*-*
Net movement in funds before other recognised gains/(losses)		**(555,005)**	**(38,192)**	**(593,197)**	*(309,570)*
Net movement in funds		**(555,005)**	**(38,192)**	**(593,197)**	*(309,570)*
Reconciliation of funds:					
Total funds brought forward		**1,004,940**	**58,455**	**1,063,395**	*1,372,965*
Net movement in funds		**(555,005)**	**(38,192)**	**(593,197)**	*(309,570)*
Total funds carried forward		**449,935**	**20,263**	**470,198**	*1,063,395*

CPOTENTIAL TRUST

(A Company Limited by Guarantee)
Registered number: 05848363

Balance Sheet
As at 31 December 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	12		**1,045,566**		*1,085,003*
Current assets					
Debtors	13	**19,505**		*148,035*	
Cash at bank and in hand		**37,024**		*25,816*	
		56,529		*173,851*	
Creditors: amounts falling due within one year	14	**(609,397)**		*(163,793)*	
Net current liabilities / assets			**(552,868)**		*10,058*
Total assets less current liabilities			**492,698**		*1,095,061*
Creditors: amounts falling due after more than one year	15		**(22,500)**		*(31,666)*
Total net assets			**470,198**		*1,063,395*
Charity funds					
Restricted funds	16		**20,263**		*58,455*
Unrestricted funds	16		**449,935**		*1,004,940*
Total funds			**470,198**		*1,063,395*

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Christopher Gilbert
(Chair of Trustees)
Date: 28th June 2024

The notes on pages 18 to 34 form part of these financial statements.

CPOTENTIAL TRUST
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 December 2023

	2023 £	*2022* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(404,528)**	*(99,719)*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(11,581)**	-
Net cash (used in)/provided by investing activities	**(11,581)**	-
Cash flows from financing activities		
Cash inflows from new borrowing	**437,000**	-
Repayments of borrowing	**(9,683)**	*(7,108)*
Net cash provided by/(used in) financing activities	**427,317**	**(7,108)**
Change in cash and cash equivalents in the year	**11,208**	**(106,827)**
Cash and cash equivalents at the beginning of the year	**25,816**	*132,643*
Cash and cash equivalents at the end of the year	**37,024**	*25,816*

The notes on pages 18 to 34 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 31 December 2023

1. General information

The charity is a company limited by guarantee and registered in England and Wales. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

CPotential Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are presented in sterling and are rounded to the nearest pound.

2.2 Going concern

During the year, the charity incurred a post-tax loss of £593,197 and had net current liabilities of £552,868 at the balance sheet date. The charity was dependent on the sale and leaseback of its property, which completed on 22 March 2024, introducing £627,750 into its funds, alongside future funds raised through regular activities. The charity's trading subsidiary entered voluntary liquidation in the previous year. The Trustees and senior management team have been diligently working to increase funding and maintaining expenditure by:

1. Expanding the service delivery team to enhance session availability.
2. Introducing innovative technologies such as Atlas Exo skeleton to attract service users with case managed funds.
3. Launching targeted funding campaigns for corporate sponsorship and increased community donations.
4. Collaborating with a specialist funding consultant to review all fundraising methods and establish connections with known philanthropists.

Additionally, resources and systems established in 2023 are expected to reduce back-office costs.

In consequence, the trustees have prepared the financial statement on a going concern basis.

2. Accounting policies (continued)

2.3 Income

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

Voluntary income received by way of donations are included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Income from the sales of goods is accounted for when the goods are sold.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Nursery, school and special care fees shown in the statement of financial activities are accounted for in the period in which the service is provided. Fees received in advance are included in creditors as deferred income.

Investment income is recognised on a receivable basis.

2.4 Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of the full-time equivalent number of staff working in each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The costs of generating funds relate to the cost incurred by the group and charity in raising funds for the charitable work.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Governance Grants

Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company are recognised as income in the period in which it becomes receivable on an accruals basis and recognised immediately in profit and loss.

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold land and buildings	-	2%
Building improvements	-	5%
Fixtures and fittings	-	20%
Furniture and equipment	-	33%

2.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2. Accounting policies (continued)

2.12 Financial instruments

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

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.14 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purpose.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of support costs.

Notes to the Financial Statements
For the Year Ended 31 December 2023

3. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Donations				
Donations from trusts and foundations	223,045	34,820	**257,865**	*292,120*
Donations from individuals	78,391	-	**78,391**	*26,814*
	301,436	34,820	**336,256**	*318,934*
	301,436	34,820	**336,256**	*318,934*
Total 2022	*202,164*	*116,770*	*318,934*	

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Sessional services	264,294	**264,294**	*180,011*
Total 2022	*180,011*	*180,011*	

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Bank interest	1,070	**1,070**	*3*
Total 2022	*3*	*3*	

Notes to the Financial Statements
For the Year Ended 31 December 2023

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	*As restated Total 2022 £*
Sessional services	868,607	73,012	**941,619**	*721,004*
Total 2022 as restated	*649,617*	*71,387*	*721,004*	

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	*As restated Total funds 2022 £*
Sessional services	321,138	620,481	**941,619**	*721,004*
Total 2022 as restated	*309,817*	*411,187*	*721,004*	

Analysis of direct costs

	Sessional services 2023 £	Total funds 2023 £	*As restated Total funds 2022 £*
Staff costs	266,505	**266,505**	*264,180*
Other service costs	54,633	**54,633**	*45,637*
	321,138	**321,138**	*309,817*
Total 2022 as restated	*309,817*	*309,817*	

Notes to the Financial Statements
For the Year Ended 31 December 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Sessional services 2023 £	Total funds 2023 £	*As restated Total funds 2022 £*
Staff costs	373,569	**373,569**	*251,304*
Depreciation	51,018	**51,018**	*63,367*
Premises, office & IT	66,632	**66,632**	*62,171*
Financial administration	1,542	**1,542**	*1,844*
Advertising costs	2,047	**2,047**	*1,386*
Bank fees	1,642	**1,642**	*2,216*
Interest paid	54,366	**54,366**	*2,778*
Loan set up costs	11,639	**11,639**	-
Professional fees	40,647	**40,647**	*17,456*
Audit fees	13,600	**13,600**	*8,090*
Other support costs	3,779	**3,779**	*575*
	620,481	**620,481**	*411,187*
Total 2022 as restated	*411,187*	*411,187*	

8. Auditors' remuneration

	2023 £	*2022 £*
Fees payable to Xeinadin Audit Limited for the audit of the Charity's annual accounts	**15,000**	*10,200*
Fees payable to Xeinadin Audit Limited and its associates in respect of:		
All non-audit services not included above	**2,340**	-

9. Staff costs

	2023 £	2022 £
Wages and salaries	626,256	528,892
Social security costs	56,052	52,958
Pension costs	18,934	16,289
	701,242	598,139

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Sessional services	10	8
Fundraising	2	1
Support	11	10
	23	19

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the charity comprise the senior management team. Total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the charity was £243,717 (2022 - £235,945).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 31 December 2023, no Trustee expenses have been incurred *(2022 - £NIL)*.

11. Exceptional items

	2023 £	*2022 £*
Investment and intercompany loan write-off	**(175,968)**	-

During the year an investment of £nil, after historic impairment, and an intercompany loan of £175,968 had been written off due to the subsidiary, CPotential Trading, being put into voluntary liquidation in October 2023. The intercompany loan originated in 2016, following a strategic restructuring of the trading division. Over the subsequent six years, multiple initiatives were undertaken to enhance the subsidiary's market presence, sales figures and reduction of overheads. Nonetheless, the subsidiary's performance was adversely impacted by the post-pandemic challenges facing the high street retail sector, notably the competition from online retailers.

12. Tangible fixed assets

	Land & buildings £	Furniture & equipment £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2023	**1,170,474**	**255,325**	**140,833**	**1,566,632**
Additions	**-**	**6,601**	**4,980**	**11,581**
Disposals	**-**	**(21,063)**	**-**	**(21,063)**
At 31 December 2023	**1,170,474**	**240,863**	**145,813**	**1,557,150**
Depreciation				
At 1 January 2023	**136,052**	**229,573**	**116,004**	**481,629**
Charge for the year	**21,154**	**19,202**	**10,662**	**51,018**
On disposals	**-**	**(21,063)**	**-**	**(21,063)**
At 31 December 2023	**157,206**	**227,712**	**126,666**	**511,584**
Net book value				
At 31 December 2023	**1,013,268**	**13,151**	**19,147**	**1,045,566**
At 31 December 2022	*1,034,422*	*25,752*	*24,829*	*1,085,003*

The Charity sold and leased back the freehold property in March 2024. See note 23 for further information.

Notes to the Financial Statements
For the Year Ended 31 December 2023

13. Debtors

	2023 £	*2022* *£*
Due after more than one year		
Amounts owed by group undertakings	-	*97,031*
	-	*97,031*
Due within one year		
Outstanding fees	**18,983**	*13,873*
Amounts owed by group undertakings	-	*37,131*
Prepayments and accrued income	**522**	-
	19,505	*148,035*

Notes to the Financial Statements
For the Year Ended 31 December 2023

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	10,709	11,226
Other loans	437,000	-
Trade creditors	15,301	19,313
Other taxation and social security	81,973	106,107
Other creditors	18,761	4,457
Accruals and deferred income	45,653	22,690
	609,397	163,793

	2023 £	2022 £
Resources deferred during the year	10,000	-

Deferred income above represents amounts invoiced in advance on sponsorship agreements.

15. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	22,500	31,666

Included within the above are amounts falling due as follows:

	2023 £	2022 £
Between one and two years		
Bank loans	10,000	19,999
Between two and five years		
Bank loans	12,500	11,667
Over five years		

Included within Bank Loans is a Bounce Back Loan made available as part of the UK Government Coronavirus support scheme. The loan is guaranteed by the UK Government under BBLS. The loan attracts interest at a rate of 2.50% and is repayable by 60 monthly instalments of £934.36. The final repayment is due in February 2027.

Included within Other Loans is £437,000 in relation to a bridging loan which is secured by way of a fixed charge over the freehold building.

Notes to the Financial Statements
For the Year Ended 31 December 2023

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
Designated funds					
Land & building reserve	1,175,000	-	-	-	1,175,000
Retail reserve	185,000	-	-	-	185,000
	1,360,000	-	-	-	1,360,000
General funds					
General funds	(355,060)	566,800	(945,837)	(175,968)	(910,065)
Total Unrestricted funds	1,004,940	566,800	(945,837)	(175,968)	449,935
Restricted funds					
Capital capaign fund	4,980	-	(4,980)	-	-
Equipment fund	2,500	-	(2,500)	-	-
Early Intervention fund	7,666	-	(7,666)	-	-
Weekend Activities	33,463	-	(33,463)	-	-
Impact Measures Framework	4,500	-	(4,500)	-	-
Music Therapy Fund	5,346	34,820	(19,903)	-	20,263
	58,455	34,820	(73,012)	-	20,263
Total of funds	1,063,395	601,620	(1,018,849)	(175,968)	470,198

Notes to the Financial Statements
For the Year Ended 31 December 2023

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
Designated funds				
Land & building reserve	1,175,000	-	-	1,175,000
Retail reserve	185,000	-	-	185,000
	1,360,000	-	-	1,360,000
General funds				
General funds	(107)	382,178	(737,131)	(355,060)
Total Unrestricted funds	1,359,893	382,178	(737,131)	1,004,940
Restricted funds				
Capital capaign fund	-	4,980	-	4,980
Equipment fund	6,872	3,500	(7,872)	2,500
Early Intervention fund	-	26,750	(19,084)	7,666
Wellbeing Therapy fund	1,200	-	(1,200)	-
Weekend Activities	-	33,463	-	33,463
Speech & Language Therapy	5,000	-	(5,000)	-
Immersive Story	-	7,433	(7,433)	-
Impact Measures Framework	-	26,500	(22,000)	4,500
Music Therapy Fund	-	14,144	(8,798)	5,346
	13,072	116,770	(71,387)	58,455
Total of funds	1,372,965	498,948	(808,518)	1,063,395

Notes to the Financial Statements
For the Year Ended 31 December 2023

16. Statement of funds (continued)

Purposes of restricted funds	
Capital campaign fund	The capital campaign fund consists of monies donated for the development of an extension and improvements to the Centre's building.
Equipment fund	The equipment fund consists of monies donated for the purchase of small items and capital items for the font-line services.
Early intervention fund	The early intervention fund consists of monies received for delivering our preschool and outreach services.
Music therapy fund	The music therapy fund consists of monies received for the provision of music therapy.
Wellbeing therapy fund	The wellbeing therapy fund consists of monies received for the provision of wellbeing therapies for families.
Speech & Language therapy fund	The speech & language therapy fund consists of monies received for the provision of speech and language therapy.
Weekend activities	The weekend activities fund received monies for provision of play activities at weekends.
Immersive Story	The Immersive Story fund consists of monies to deliver reading and storytelling activities.
Impact Measures Framework	The Impact Measures Framework consists of monies to develop an outcome indicators in therapy services effectiveness.
Purposes of designated funds	
Land & building reserve	The land and building reserve represents the unrestricted funds invested in the charity's freehold land and buildings plus an allowance for forthcoming additions which are not therefore available for other purposes.
Maintenance reserve	The maintenance reserve is monies set aside by the Trustees for the future maintenance of the charity's land and buildings.
Retail reserve	The retail reserve represents money loaned to the charity's trading subsidiary company and therefore not available for other purposes.
Innovation reserve	The innovation reserve is monies set aside by the trustees in order to be able to pilot new activities that do not yet have funding including new services, new partnerships and new fundraising programmes.
Events reserve	The events reserve is money set aside to allow for the organising of fundraising and promotional events where costs have to be paid out before income is received.

Notes to the Financial Statements
For the Year Ended 31 December 2023

17. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Designated funds	**1,360,000**	**-**	**-**	**-**	**1,360,000**
General funds	**(355,060)**	**566,800**	**(945,837)**	**(175,968)**	**(910,065)**
Restricted funds	**58,455**	**34,820**	**(73,012)**	**-**	**20,263**
	1,063,395	**601,620**	**(1,018,849)**	**(175,968)**	**470,198**

Summary of funds - prior year

	Balance at 1 January 2022 £	*Income £*	*Expenditure £*	*Balance at 31 December 2022 £*
Designated funds	*1,360,000*	*-*	*-*	*1,360,000*
General funds	*(107)*	*382,178*	*(737,131)*	*(355,060)*
Restricted funds	*13,072*	*116,770*	*(71,387)*	*58,455*
	1,372,965	*498,948*	*(808,518)*	*1,063,395*

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,045,566	-	**1,045,566**
Current assets	36,266	20,263	**56,529**
Creditors due within one year	(609,397)	-	**(609,397)**
Creditors due in more than one year	(22,500)	-	**(22,500)**
Total	449,935	20,263	**470,198**

Notes to the Financial Statements
For the Year Ended 31 December 2023

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	*Restricted funds 2022 £*	*Total funds 2022 £*
Tangible fixed assets	*1,085,003*	*-*	*1,085,003*
Debtors due after more than one year	*97,031*	*-*	*97,031*
Current assets	*18,365*	*58,455*	*76,820*
Creditors due within one year	*(163,793)*	*-*	*(163,793)*
Creditors due in more than one year	*(31,666)*	*-*	*(31,666)*
Total	*1,004,940*	*58,455*	*1,063,395*

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

	2023 £	*2022 £*
Net expenditure for the year (as per Statement of Financial Activities)	**(593,197)**	*(309,570)*
Adjustments for:		
Depreciation charges	**51,018**	*61,243*
Decrease in debtors	**128,530**	*50,145*
Increase in creditors	**9,121**	*98,463*
Net cash used in operating activities	**(404,528)**	*(99,719)*

20. Analysis of cash and cash equivalents

	2023 £	*2022 £*
Cash in hand	**37,024**	*25,816*
Total cash and cash equivalents	**37,024**	*25,816*

Notes to the Financial Statements
For the Year Ended 31 December 2023

21. Analysis of changes in net debt

	At 1 January 2023	Cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	25,816	11,208	37,024
Debt due within 1 year	(11,226)	(436,483)	(447,709)
Debt due after 1 year	(31,666)	9,166	(22,500)
	(17,076)	(416,109)	(433,185)

22. Related party transactions

During the year, CPotential Trust loaned amounts totalling £40,717 (2022 - £3,645) to CPotential Trading Limited, its subsidiary company. CPotential Trust received repayments of £42,300 (2022 - £59,776) from CPotential Trading Limited and wrote off an outstanding loan amount of £175,968 due to the subsidiary entering liquidation in the year. CPotential Trust also recharged £8,000 of liquidation costs to CPotential Trading Limited in the year. No amounts remained outstanding at the balance sheet date.

23. Post balance sheet events

In 2021, CPotential Trust, opted for a sale and leaseback arrangement for its premises as a strategic move to liquidate the asset, this generated sale proceeds of £1.4m. The charity did not exchange and complete on this transaction until 22 March 2024 which saw the charity receive £627,750 after taking into consideration charges incurred and the repayment of funding taken out, post year end, to ensure the charity could continue to operate as a going concern. This funding has been vital to the continuation of the charity.

CPOTENTIAL TRUST

England & Wales - Charity number 1124524

Accounts

Registered Company Number: 05848363
Registered Charity Number: 1124524

CPotential Trust

Trustees Report and Financial Statements

For the year ended 31 December 2022

CPotential Trust
(A company limited by guarantee)

Reference and administrative details of the charity, its trustees and advisers for the year ended 31 December 2022

Trustees	Christopher Gilbert, Chair Anthony Dowle (resigned 27 September 2023) Timothy Hammett Raisa Hassan (resigned 13 March 2024) Catherine Seddon Debrorah Triggs (appointed 3 February 2022, resigned 22 February 2024)
Chief Executive Officer	Brett Parker
Registered Company Number	05848363
Registered Charity Number	1124524
Registered Office	143 Coppetts Road London N10 1JP
Independent Auditors	Xeinadin Audit Limited Chartered Accountants & Statutory Auditor 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Barclays Bank plc 223 Muswell Hill Broadway London N10 1DD

CPotential Trust
(A company limited by guarantee)

Contents

Page

Report of the Trustees **3**

Letter from the Chair of Trustees **12**

Independent auditor's report **13**

Consolidated statement of financial activities **16**

Charity statement of financial activities **17**

Consolidated and charity balance sheet **18**

Consolidated statement of cash flow **19**

Notes to the financial statement **20**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of CPotential Trust operating as CPotential (the charity and the group) for the year to 31 December 2022. The Trustees confirm that the annual report and financial statements of the charity and the group comply with the current statutory requirements, the requirements of the charity and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Since the charity and the group qualify as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required for this charity. The reference and administrative information set out on page 2 forms part of this report.

Structure, governance, and management

CPotential is a long-established charity, which was founded as The Hornsey Trust for Handicapped Children in 1963. The charity is a company limited by guarantee (Company Number 05848363) and is governed by its Memorandum and Articles of Association. The Hornsey Trust for Handicapped Children was dissolved, and its assets were duly transferred to the company on 31 December 2008.

The charity is managed by a Board of Trustees and the power of appointing and removing Trustees lies with the Trustees. The Board meets five times a year with various sub-committees meetings in between. Day to day management of the charity is delegated to the Chief Executive Officer and the Senior Leadership Team. The Senior Leadership Team comprised the CEO, Manager of Clinical Services, Director of Resources and Director of Finance; two of these positions are part-time.

In 2020 the charity established a Finance and Investment Committee to increase finance oversight and planning. Chaired by Tim Hammett and comprising of Chris Gilbert (Chair of Trustees), Brett Parker (CEO) and Agnieszka Kosacz (Director of Finance). Reporting to the main board the committee meets monthly and reviews the financial performance and projections in detail and recommends and executes investments.

The recruitment and appointment of Trustees is undertaken on an on-going basis to maintain appropriate numbers and skills. The charity uses an open recruitment process. There is an induction process for new Trustees, which includes an interview with the Chief Executive Officer and the Chair of Trustees, the opportunity to observe a Board meeting, an opportunity to observe the charity's activities first-hand and the provision of various documents such as copies of Board minutes, and Charity Commission guidance and information. The Charity has a trading subsidiary: CPotential Trading Ltd.

Objectives and activities

The Trustees consult the Charity Commission's public benefit guidance when assessing our goals and planning future activities, ensuring alignment with our objectives. The Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Our primary mission is to provide vital therapeutic services and unwavering support to children, families, and caregivers grappling with movement disorders, including cerebral palsy. We seamlessly blend physical, occupational, and communication therapies into our work. Guided by the ethos that every child holds the potential to learn, thrive, and

cultivate confidence, skills, and self-reliance, we dedicate ourselves to nurturing their mobility, motor skills, sensory perception, communication abilities, emotional well-being, problem-solving prowess, and self-sufficiency. Crucially, we integrate these skills into practical applications, fostering a path toward independence.

Note on the late filing of the 2022 accounts with Companies House and The Charity Commission

The Board of Trustees acknowledges and prioritizes the principles of transparency and accountability within our organisation. As such, we wish to address the delayed filing of our 2022 audited accounts with both Companies House and the Charity Commission.

In the latter part of 2022, the Board was actively engaged in the process of recapitalising the charity through a property sale. Regrettably, an unexpected and last-minute delay occurred in this process. Following careful deliberation and consultation with relevant advisors, the Trustees made the decision to postpone the filing of the accounts.

This decision was undertaken to ensure that the financial information we present accurately reflects the organisation's position and does not convey any misleading information. We are committed to upholding the highest standards of transparency and accountability in all our operations, and we appreciate the understanding and patience of our stakeholders during this time.

In 2022 the charity fulfilled its aims and objectives by providing services as follows:

Physiotherapy. Regular physiotherapy encourages movement and balance, helping to strengthen muscles and joints and reinforces stability and positioning. Our physiotherapy utilises evidence-based task training to provide fun and motivating repetition to get the task practice and to improve motor functions such as walking. We also provided tailored intensive pre and post-SDR surgery physiotherapy.

Maia's mum *"For us, everything we are achieving and learning from our physio sessions at CPotential is helping us to gain one more step closer to an independent future for our child. Not only at school but as they go into adulthood and the potential to achieve beyond their abilities if they had not been attending the Centre."*

Upper Limb Therapy, CIMT (Constraint Induced Movement Therapy) and **Bimanual Skills Training** are integrated into most therapy sessions. We delivered a range of therapy packages focusing on hand skills for children with motor disorders.

Music Therapy. We are very grateful to The Amy Winehouse Foundation for their continuing supporting of our Music Therapy service which has such a positive impact on children's physical, cognitive, social and emotional development and gives children new opportunities to express themselves, leading to increased confidence and self-esteem. It is also a psychological therapy in which behavioural and emotional difficulties can be explored and tackled.

Ruairí's mum *"We are extremely grateful to have been awarded funded music therapy sessions through the Amy Winehouse Foundation. Our son absolutely adores his therapist and we have watched him grow in confidence with his speech and singing. Watching him so happy and free to express himself through music therapy is an absolute joy."*

Conductive Education brings remarkable benefits, transforming lives. This holistic approach boosts physical, cognitive, and social development simultaneously, fostering independence and self-esteem. It enhances mobility, coordination, and motor skills, making daily activities easier. It builds a supportive community, connecting children and families with peers facing similar challenges. Conductive Education enriches children's lives, helping them to build friendships and gain social interaction skills while having fun and building their self-esteem.

Teddy's mum: *"We were really grateful to be able to take Teddy for intensive therapy which is not really available in Ireland. Will was so encouraging of him and could read him very well and understand when he needed short breaks. It was great to see that he would tolerate two hours of therapy in a single session and just keep working away at it."*

Occupational Therapy and **Sensory Integration** are powerful tools for empowering children and young people facing physical, sensory, or cognitive challenges that hinder their engagement in everyday life. By harnessing the therapeutic potential of daily activities, we enable children to not only cultivate, regain, and enhance their abilities but also sustain vital life skills. These encompass self-care routines, including dressing, toileting, and eating, as well as school-ready proficiencies like handwriting and scissor use. Our approach fosters concentration, sharpens focus on activities, and enriches the learning experience.

Misha's Mum *"I would like to express our gratitude to everyone working at CPotential, who make the place so special for us. We have found a place that is a delight to visit where the people are welcoming and supportive. Misha is having lots of fun while learning through play, and the atmosphere in the centre is just amazing – it is such a bright place, the rooms are so spacious and full of lovely toys and equipment."*

Galileo Whole Body Vibration Therapy. An innovative vibration therapy using the full range of vibration platform, tilt table and dumbbells, each plays a vital role in our physiotherapy sessions. The children loved the sensory feedback that vibration gives alongside key benefits to boost a child's mobility and independence: reduces spasticity, improves motor function, improves muscle control, improves balance, improves circulation, builds bone density.

Mollii Suit Assessment and Fitting is an assistive technology that helps relieve spasticity and improves muscle control.

Speech and Language Therapy is a life-improving treatment and support that develops speech, language, functional communication, and social communication for children who have difficulties with communication or with eating, drinking, and swallowing.

Yahya's mum *"The sessions with Demi have had a great effect on Yahya, we have been able to continue the tools that she had provided and initiated with Yahya. It has allowed us to converse more about his day and his emotional wellbeing. The communication at school has I feel not progressed as much however I am aware they are trying to implement the zones of regulation. Yahya is having more positive days at school. "*

Legal, Educational and Financial support services. With the generous support of Irwin Mitchell, we provided legal, educational and financial service assistance.

We continued to reduce the charities overhead costs with the introduction of efficiencies and automated back-office systems.

The Finance and Investment committee continued to tightly manage the financial performance of the charity by regularly reviewing monthly management accounts and introducing trend analysis and scenario planning.

Our Supporters - we are grateful to our funders and supporters who have continued to support our work:

Amy Winehouse Foundation - Atkin Foundation - City Bridge Trust - David Solomons Charitable Trust - Dora Rebecca Fine Charitable Trust - DWF Foundation - EF & MG Hall Charitable Trust - Garfield Weston Foundation - Harapan - Hazel and Leslie Peskin Charitable - Hospital Saturday Fund - Lake House Charitable Foundation - Michael Watson Charitable Trust - Outhwaite Charitable Trust – SCOPE - St James's Place Foundation - Tallow Chandlers Benevolent Fund - The Adrienne & Leslie Sussman Charitable Trust - The Alchemy Foundation - The Beehive Fund- The Cecil Rosen Foundation - The David Family Foundation- The D'Oyly Carte Charitable Trust - The Douglas Heath Eves Charitable Trust - The Edward Gostling Foundation -The Gerald and Gail Ronson Family Foundation - The Hadley Trust - The Henhurst Charitable Trust - The Ince Group Charitable Foundation - The Mabs Mardulyn Charitable Foundation - The Mrs Yvonne Flux Charitable Trust - The PAR Charitable Trust - The Patrick and Helena Frost Foundation - The Screwfix Foundation - The Sir James Roll Charitable Trust - The Souter Charitable Trust - The Steven Bloch Image of Disability Charity Trust - The Trysil Charitable Trust - The Tula Trust Limited - Thousandth Man- Richard Burns Charitable Trust - The Worshipful Company of Fan Makers - Webb Family Charitable Trust

Achievements and performance
During in 2022 we delivered a total of **4541** sessions which was a **57%** year on year improvement. We worked with **246** individual children, which was a **48%** year on year improvement.

In 2022 the trustees and executives established the next stage of the Trust's development with the following objectives:

The Vision
People with movement disorders are empowered to reach their potential.

The Mission
To be the champion in unlocking potential in children and young adults with movement disorders by 2027

Strategic Objectives

By 2024

- We will continue to elevate the skills and expertise of both the board and the executive team.

By 2026

- We will treble the number of interventions undertaken in-house or referred onwards.
- We will treble the number of individuals we empower.
- Our underlying financials will achieve break-even.

What our families have said about us

"At CPotential I found nice therapists that explained and helped Maia with her progress. In the first year we tried our best to pay for Maia's therapy, but COVID came and had an impact on our family. We started to struggle, and I asked for information and support from CPotential. They sent us information and we opened a funding support plan with Just4children." ***Maia's Mum***

"... Since our first assessment with them they have been brilliant in helping us. They have made such a positive impact in our lives and have really helped Rubi make progress through the different therapies they offer. All the staff there are amazing and the work they do is incredible. Rubi and I have made friends through going there and this has been very comforting for us to have people in our lives going through the same/similar journeys." ***Rubi's Mum***

"Harriet has been doing conductive education since 2018 and physiotherapy since 2021. We have also attended various therapy camps and intensive blocks at the centre. We have seen significant progress with Harriet's confidence – being able to go upstairs with support and going in a tunnel. She continues to amaze us on a year-to-year basis." ***Harriet's Mum.***

Financial review

Income

In 2022 our operating income (income without Covid support) improved by **23%** to **£685,431 (2022) v £558,529 (2021).** Income from Covid support was as follows **£nil (2022) v £185,859 (2021)**

Income from all sources has been used to support the delivery of the charity's key objectives, and to develop a strategy and deliver a business plan, that ensures sustainable growth and the best possible impact for our beneficiaries.

Expenditure

In 2022 we continued with our expansion of services, introducing new staff and resources. However, we continued to reduce costs by **15%** to **£997,897 (2022) v £1,180,394 (2021)**

Trading (Charity Shops)

Following the 2021 restructure of our trading shops and the post covid normalisation of trade, our trading revenues improved to **£180,935 (2022) v £152,488 (2021)**

The year-on-year loss was reduced to **-£2,896 (2022) v -£6,099 (2021)**

Whilst this improvement is encouraging, the trustees are carefully reviewing the viability of the trading operation following the restructure and the return of normal post pandemic trading.

In July 2023 the Trustees were mindful of the outstanding debt owed to the charity by the trading subsidiary. They evaluated that the prevailing trading conditions, ongoing losses and the subsidiary's financial obligations would render repayment of this debt highly improbable. Furthermore, after conducting a thorough assessment of the trading position and the persistent risks associated with its operations, the Trustees deemed it unsuitable to further extend financial support to sustain the trading subsidiary's operations.

Considering these factors and after seeking professional advice, the directors of CPotential Trading opted to initiate voluntary liquidation proceedings for the company.

Fundraising Income
We were pleased to see a continued improvement of **15%** growth in our fundraising **£318,934 (2022) v £277,235 (2021).**

The Charity income breakdown is as follows:

	2022	**2021**
Donations and capital grants	£318,934	£277,235
Charitable activity	£180,011	£125,524
Trading income (charity shops)	£186,483	£152,488
Investments	£ 3	£3,282
Income	**£685,431**	**£558,529**
Covid-19 Government support grant	£ nil	£185,859
Total Income	**£685,431**	**£744,388**

Surplus / Loss
Year 2022 was a pivotal year for our charity. Following the school closure in year 2019/20 we restructured the charity and developed our new strategy and business plan. This was launched in March 2020 just as the pandemic took hold. During the pandemic we forged ahead with structuring and resourcing our new integrated therapy services. The year 2022 being the first opportunity to establish service use and normalise activities.

Our strategy of service restructure and development is working, and saw an impressive growth in service uptake. **4541** sessions (**57%** year-on-year improvement) working with **246** individual children a **48%** year-on-year improvement.

In 2022 the charity continued to reduce its annual losses to **-£309,370 (2022) v -£429,907 (2021).**
When this is viewed against a backdrop of a **£147,441** reduction in Covid funding, the underlying performance was improved by **23%**.

In the 2021 accounts the trustees detailed that *"The Trustees, mindful of the reduction of the charities working capital during the pandemic have, after careful consideration, decided to release capital by way of a sale and lease back on its Coppetts Road asset. It is expected that this will generate £1.45m to recapitalise the charity. Negotiations for this will be concluded in 2022 and the board will take all the required fiduciary and legal advice to ensure full charitable compliance".*

The sale and leaseback of the Coppetts Road asset has now completed on the 22 March 2024 which has seen an injection of cash into the charity allowing the charity to continue as a going concern.

Bearing the above in mind, and after making appropriate enquiries, the Trustees are confident that the charity has adequate resources to continue in operational existence. For this reason, is considered appropriate to continue to adopt the going concern basis in preparing the financial statements. Further details regarding the going concern basis can be found in the Accounting Policies in Note 1 to the Accounts.

Plans for 2022 and beyond

Our decision to expand our service capacity continues to prove advantageous as the post-pandemic operational landscape stabilises. We maintain our confidence that our income will grow, and our losses will decrease throughout 2023 and beyond. Our projections indicate that we are on track to reach breakeven and a modest surplus by 2026.
In 2023, we will persist in monitoring our progress and strive to achieve the following objectives:

- Attain financial break-even by the fiscal year 2025/26
- Triple the number of in-house interventions or referrals by 2026
- Triple the number of individuals we empower by 2026
- Enhance and diversify the skills and expertise of the Board and the Executive Team by the end of 2023/24

We will continue to develop our strategy to generate growth:

- Exploring additional areas where our services are needed
- Developing new fundraising streams that can support our work
- Pushing forward with our multidisciplinary integrated therapies and embedding impact measures
- Continuing to introduce innovative technologies and effective soft support services that are interconnected.

The specific new services we have introduced in 2023 are:

- Dynamic Movement Interventions
- Immersive Story Therapy
- Lego Therapy
- Aqua Therapy
- Intensive multi-day integrated therapy camps
- Introduce cutting edge exoskeleton technology.

Risk management

Trustees consider a risk assessment register at every meeting, and this is regularly updated and reviewed by the Senior Leadership Team. This constitutes a regular review of the major risks to which the charity is exposed. All of these risks are identified and placed on the register. Where appropriate, systems or procedures are established to manage the risks the charity faces.

The culture of the charity is that risk management systems are absorbed into the organisation's daily operations through regular discussion by the Senior Leadership Team and through our policies and procedures. Internal control risks are minimized by the implementation of procedures for the authorization of all financial transactions and projects. Procedures are also in place to ensure compliance with the health and safety and wellbeing of staff, children, and visitors to the charity.

Investment policy
A specialist Trustee investment subcommittee examines the best use of our reserves and develops an investment policy which reflects our needs.

The Investment & Finance Committee is responsible for and ensures that regular reporting procedures are in operation to monitor the performance of all investment related affairs of the Charity.

Reserves policy
The Trustees have determined a reserves policy in the light of the need to maintain a secure and predictable provision of services to young people with disabilities. Specifically, the policy is to seek to maintain sufficient free reserves to allow the charity to cope with seasonal variations in cash flow and with the types of unexpected expenditure and non-receipt of budgeted income that can typically occur in a charity of our type and size. Having analysed the risks of such eventualities occurring, the Trustees believe that a general reserve of between 2 and 4 months budgeted total expenditure for the current year is appropriate.

Designated reserves are also kept, providing for funds invested in fixed assets and for specific needs identified by the Trustees including cyclical maintenance, innovation reserve and events reserve, as set out in note 14 to the accounts.

Over the next 24 months, our new strategy and business plan will allow us to secure sustainable and effective services; fundraising activity and designated reserves will be used to facilitate the growth of new resources, people, and equipment.

Remuneration of senior staff policy
Our policy is to seek to pay key staff at a level that is competitive in the employment market to be able to attract and retain high quality personnel who will contribute to the expansion and strategic direction of the charity. The Trustees approve the salaries budget for each calendar year before the start of the year. The Chair of Trustees decides any changes in the Chief Executive's salary based on a review of performance against the objectives set for the foregoing period and available budget. The Chief Executive approves the salaries of other key staff considering, their performance, current market rates and available budget.

Related parties and connected organisations
There are no issues regarding related parties and connected organisations.

Statement of responsibilities of the Trustees

With regard to the attached accounts, it is the responsibility of the Trustees 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 (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charity will continue in operation.

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

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Guarantees
Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up.. The Trustees have no beneficial interest in the charitable company.

Disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors
The Trustees wish to continue the appointment of the charity's auditors, Xeinadin Audit Limited who have indicated their willingness to continue in that capacity.

Approved by the Trustees on 15th April 2024 and signed on their behalf by:

Christopher Gilbert

Chair of Trustees

Letter from the Chair

For the year ended 31 December 2022

In 2022, our organisation saw remarkable growth and impact thanks to the unwavering dedication, hard work, and strategic investments made during the challenging pandemic years. We're proud to announce a 57% increase in our impact, delivering a total of 4,541 sessions directly benefiting 246 individual children—an impressive 48% rise from the previous year.

Moreover, we've taken significant steps to ensure our services are comprehensive and holistic for both children and their families. Financially, we've made substantial progress, reducing annual losses from £436,006 in 2021 to £312,466 in 2022. Despite a £182,852 reduction in Covid-related funding, this represents a commendable 49% improvement.

This positive momentum aligns perfectly with our vision of achieving sustainable growth and a modest surplus by 2025-26. Our evidence-based rehabilitation services, led by highly skilled therapists and incorporating cutting-edge technology, are not only deeply embedded but also evolving rapidly.

Looking ahead to 2023, we're committed to further expansion by increasing our therapist base and enhancing our fundraising capabilities, which will strengthen our ability to support more families in need.

We're particularly proud of the initiatives introduced in 2022, including Speech and Language Therapy, Innovative Interactive Story Therapy, Aqua Therapy, Dynamic Movement Intervention, Multidisciplinary Assessments, and ongoing professional development for our staff, among others. These initiatives reflect our commitment to providing comprehensive care and continuously improving our services.

Regarding the late filing of our accounts for 2022, The Board of Trustees acknowledges and prioritises the principles of transparency and accountability within our organisation. As such, we wish to address the delayed filing of our 2022 audited accounts with both Companies House and the Charity Commission.

In the latter part of 2023, the Board was actively engaged in the process of recapitalising the charity through a property sale. Regrettably, an unexpected and last-minute delay occurred in this process. Following careful deliberation and consultation with relevant advisors, the Trustees made the decision to postpone the filing of the accounts.

This decision was undertaken to ensure that the financial information we present accurately reflects the organisation's position and does not convey any misleading information. We are committed to upholding the highest standards of transparency and accountability in all our operations, and we appreciate the understanding and patience of our stakeholders during this time.

We extend our heartfelt gratitude to all individuals, staff, trust funds, and companies that have steadfastly supported us on this journey. Together, we're making a meaningful difference in the lives of those we serve, and we remain committed to our mission of unlocking the potential of children and young adults with movement disorders by 2027.

Christopher Gilbert

Chair of Trustees

Independent Auditors' Report on the financial statements to the Trustees of CPotential Trust

Opinion

We have audited the financial statements of CPotential Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Emphasis of Matter

We draw attention to the going concern accounting policy (note 1.5) which describes the heavy reliance on the sale and leaseback transaction completed post year end in order to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
We have been appointed as auditor under section 151 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:
As part of an audit in accordance with ISAs (UK), exercise professional judgement and maintain professional scepticism through the audit. We also:

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur.

2. Held discussions with the client regarding their policies and procedures on compliance with laws and
regulations.

3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report
This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Limited

Xeinadin Audit Limited
Chartered Accountants
Statutory Auditor
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 17 April 2024

Xeinadin Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities incorporating income and expenditure account for the year ended 31 December 2022

	Note	Continued activities Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and capital grants	2	202,164	116,770	**318,934**	*277,235*
Other income (incl. Covid-19 gov grant)	2,3	5,548		**5,548**	*185,859*
Trading activities	3	180,935	-	**180,935**	*152,488*
Charitable activities	4	180,011	-	**180,011**	*125,524*
Investments	5	3	-	**3**	*3,282*
Total income		568,661	116,770	**685,431**	744,388
Expenditure on:					
Raising funds	6	364,040	-	**364,040**	*434,971*
Charitable activities	6	562,470	71,387	**633,857**	*745,423*
Other expenditure	7	-	-	-	-
Total expenditure		926,510	71,387	**997,897**	*1,180,394*
Net income / (expenditure) before other gains and losses		(357,849)	45,383	**(312,466)**	*(436,006)*
Net movement in funds		(357,849)	45,383	**(312,466)**	*(436,006)*
Reconciliation of funds:					
Total funds brought forward		1,194,938	13,072	1,208,010	*1,644,017*
Total funds carried forward		837,089	58,455	**895,544**	*1,208,010*

The notes on pages 20 to 31 form part of these financial statements.

Charity statement of financial activities incorporating income and expenditure account for the year ended 31 December 2022

	Note	Continued activities Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and capital grants	2	202,164	116,770	**318,934**	*277,235*
Other income (incl. Covid-19 gov grant)	2	-	-	**-**	*147,441*
Charitable activities	4	180,011	-	**180,011**	*125,524*
Investments	5	3	-	**3**	*3,282*
Total income		382,178	116,770	**498,948**	553,482
Expenditure on:					
Raising funds	6	174,661	-	174,661	*237,966*
Charitable activities	6	562,470	71,387	633,857	*745,423*
Other expenditure	7		-	-	-
Total expenditure		737,131	71,387	**808,518**	*983,389*
Net income / (expenditure) before other gains and losses		(354,953)	45,383	**(309,570)**	*(429,907)*
Net movement in funds		(354,953)	45,383	**(309,570)**	*(429,907)*
Reconciliation of funds:					
Total funds brought forward		1,359,893	13,072	**1,372,965**	*1,802,872*
Total funds carried forward		1,004,940	58,455	**1,063,395**	*1,372,965*

The notes on pages 20 to 31 form part of these financial statements.

Consolidated and charity balance sheets as at 31 December 2022

	Note	Consol-idated 2022 £	*Consol-idated 2021 £*	Charity 2022 £	*Charity 2021 £*
Fixed assets					
Tangible assets	10	**1,085,330**	*1,148,699*	**1,085,002**	*1,146,245*
		1,085,330	*1,148,699*	**1,085,002**	*1,146,245*
Current assets					
Debtors	11	**35,822**	*24,227*	**148,035**	*198,180*
Prepayments and acrued income	11	**16,326**	*16,632*	**-**	*-*
Cash at bank and in hand		**39,666**	*169,799*	**25,816**	*132,643*
		91,814	*210,658*	**173,851**	*330,823*
Creditors: amounts falling due within one year	12	**(231,266)**	*(91,013)*	**(163,792)**	*(62,436)*
Net current assets		**(139,452)**	*119,645*	**10,059**	*268,387*
Total assets less current liabilities		**945,877**	*1,268,344*	**1,095,061**	*1,414,632*
Creditors: amounts falling due after more than one year	12	**(50,333)**	*(60,334)*	**(31,666)**	*(41,667)*
Net assets	15	**895,544**	*1,208,010*	**1,063,395**	*1,372,965*
Charity funds					
Restricted funds	13	**58,455**	*13,073*	**58,455**	*13,073*
Unrestricted funds	13	**837,089**	*1,194,937*	**1,004,940**	*1,359,892*
Total funds		**895,544**	*1,208,010*	**1,063,395**	*1,372,965*

The financial statements were approved by the Trustees on 15th April 2024 and signed on their behalf by:

Christopher Gilbert, Chair of Trustees

The notes on pages 20 to 31 form part of these financial statements.

Consolidated statement of cash flows for the year ended 31 December 2022

	Total funds 2022 £	Total funds 2021 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	**(123,025)**	*(313,898)*
Cash flows from investing activities:		
Purchase of property, plant and equipment	-	*(44,846)*
Proceeds from sale of property, plant and equipment		
Net cash provided by (used in) investing activities	-	*(44,846)*
Loans over 12 months taken out /(repaid)	**(7,108)**	*41,667*
Rent deposit over 12 months received	-	*18,667*
Change in cash and cash equivalents in the reporting period	**(130,133)**	*(298,410)*
Cash and cash equivalents at the beginning of the reporting period	**169,799**	*486,785*
Cash and cash equivalents at the end of the reporting period	**39,666**	*169,799*

Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**(312,466)**	*(436,006)*
Adjustments for:		
Depreciation charges	**63,367**	*71,273*
(Decrease)/increase in debtors	**(11,289)**	*30,430*
(Decrease)/increase in creditors	**137,363**	*20,405*
Net cash used in operating activities	**(123,025)**	*(313,898)*

The notes on pages 20 to 31 form part of these financial statements.

Notes to the financial statement for the year ended 31 December 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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) and the Companies Act 2006

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Statements of financial activities (SOFAs) and Balance sheets are presented for both the group and the charity. The group statements consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status and General Information

The charity is a company limited by guarantee and registered in England and Wales. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

1.3 Basis of consolidation

The financial statements consolidate the accounts of CPotential Trust operating as Cpotential and Cpotential Trading Ltd which is its only subsidiary undertaking.

The charity has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.4 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of support costs.

1.5 Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Due to the performance and external factors affecting the trading subsidiary, the Directors of CPotential Trading Limited have put the company into voluntary liquidation on 13 November 2023, this has seen the charity write off the outstanding loan after seeking professional advice post year end. The Trustees have prepared forecasts up to December 2026 which incorporate the above consideration and the sale and leaseback of Coppetts Road which completed on 22 March 2024 introducing additional funds into the Charity and providing accommodation for the services to continue. This has resulted in sufficient funds being held by the charity to continue as a going concern for the foreseeable future.

Notes to the financial statement for the year ended 31 December 2022

1.6 Income

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

Voluntary income received by way of donations are included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Income from the sales of goods is accounted for when the goods are sold.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Nursery, school and special care fees shown in the statement of financial activities are accounted for in the period in which the service is provided. Fees received in advance are included in creditors as deferred income.

Investment income is recognised on a receivable basis.

1.7 Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of the full-time equivalent number of staff working in each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The costs of generating funds relate to the cost incurred by the group and charity in raising funds for the charitable work.

1.8 Turnover

Turnover comprises revenue recognised by the charity in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Notes to the financial statement for the year ended 31 December 2022

1.9 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold land and buildings	-	2% straight line basis on buildings only
Building improvements	-	5% straight line basis
Fixtures and fittings	-	20% straight line basis
Furniture and equipment	-	33% straight line basis

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

1.10 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.12 Taxation

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

1.13 Government Grants

Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company are recognised as income in the period in which it becomes receivable on an accruals basis and recognised immediately in profit and loss.

Notes to the financial statement for the year ended 31 December 2022

2. Income from donations, legacies and grant income

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	*Total funds 2021*
Group and Charity	£	£	£	*£*
Donations from trusts and foundations	175,350	116,770	**292,120**	*256,746*
Donations from companies	-	-	**-**	*-*
Donations from individuals	26,814	-	**26,814**	*20,489*
Grants income (Covid-19 grant)	-	-	**-**	*147,441*
	202,164	116,770	**318,934**	*424,676*
Group and Charity 2021	*320,079*	*104,597*	*424,676*	

All of the above income was received by the charity so the group and charity tables are identical.

3. Income and expenditure from trading activities

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	*Total funds 2021*
Group	£	£	£	*£*
Trading income				
Sale of good in charity shops	180,935	-	**180,935**	*152,488*
Other income (incl Covid-19 gov grant)	5,548		**5,548**	*38,418*
	186,483	-	**186,483**	*190,906*
Trading expenditure				
Salaries and National Insurance	86,709	-	**86,709**	*75,953*
Rent of retail shops	77,500	-	**77,500**	*93,382*
Other expenses	23,045	-	**23,045**	*24,756*
Depreciation on tangible fixed assets	2,126	-	**2,126**	*2,914*
	189,379	-	**189,379**	*197,005*
Net income/(loss) from trading activities	(2,896)	-	**(2,896)**	*(6,099)*
Net income/(loss) from trading activities 2021	*(6,099)*	-	*(6,099)*	

Charity - All of the above income was received by the trading subsidiary. The charity has no trading income or expenditure.

4. Income from charitable activities

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	*Total funds 2021*
Group and Charity	£	£	£	*£*
Sessional services	180,011	-	**180,011**	*125,524*
Income from charitable activities	180,011	-	**180,011**	*125,524*
Income from charitable activities 2021	*125,524*	-	*125,524*	

All of the above income was received by the charity so the group and charity tables are identical.

Notes to the financial statement for the year ended 31 December 2022

5. Investment income

Group	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from investments	-	-	-	*3,261*
Bank interest	68		**68**	*21*
Interest income 2022	*68*	-	*68*	
Charity				
Income from investments	-	-	-	*3,261*
Bank interest	3	-	**3**	*21*
Intercompany loan interest	-	-	-	*-*
Investment income 2022	3	-	**3**	*3,282*
Investment income 2021	*3,282*	-	*3,282*	

6. Expenditure analysis by function and type of funding

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	*Total funds 2021*
Raising funds	£	£	£	*£*
Donations, legacies and capital grants	174,661	-	**174,661**	*237,966*
Trading activities	189,379	-	**189,379**	*197,005*
Other activities to generate funds	-	-	-	*-*
	364,040	-	**364,040**	*434,971*
Charitable activities				
Sessional services	547,648	71,387	**619,035**	*733,435*
Charity governance	14,821	-	**14,821**	*11,988*
	562,470	71,387	**633,857**	*745,423*
Other expenditure				
Capital project and campaign	-		-	*-*
Total expenditure - Group	926,510	71,387	**997,897**	*1,180,394*
Total expenditure - Charity	737,131	71,387	**808,518**	*983,389*

Total expenditure in the charity is equal to total expenditure in the group less expenditure on trading activities.

Notes to the financial statement for the year ended 31 December 2022

7. Expenditure analysis of direct and support costs

Group	Cost of raising funds £	Cost of charitable activities £	Other costs £	Support costs £	Total 2022 £	*Total 2021* £
Staff costs (charity)	82,655	264,179	-	251,304	**598,138**	*743,624*
Staff costs (trading)*	86,709	-	-	-	**86,709**	*75,953*
Other trading costs*	97,471	-	-	-	**97,471**	*117,052*
Other service costs	-	72,837	-	-	**72,837**	*29,129*
Fundraising	19,822	-	-	-	**19,822**	*4,632*
Running capital project	-	-	-	-	**-**	*-*
Audit	5,200	8,090	-	-	**13,290**	*11,800*
Other governance costs	-	12	-	-	**12**	*(3)*
Communications	-	-	-	11,611	**11,611**	*16,666*
Depreciation	-	-	-	1,507	**1,507**	*68,359*
Premises, office & IT	-	-	-	65,753	**65,753**	*57,042*
Management & HR	-	-	-	27,694	**27,694**	*63,334*
Financial administration	-	-	-	3,054	**3,054**	*(7,194)*
	291,856	345,118	-	360,923	997,897	*1,180,394*
Support costs	72,185	288,738	-	(360,923)	**-**	*-*
Total expenditure 2022	**364,040**	**633,857**	**-**		**997,897**	*1,180,394*
Total expenditure 2021	*434,971*	*745,423*	*-*		*1,180,394*	

Charity - All of the above expenditure was incurred by the charity apart from the two trading costs lines and £5,200 in the audit line.

Notes to the financial statement for the year ended 31 December 2022

8. Net incoming resources/(resources expended)

This is stated after charging:

	Group 2022	Group 2021	**Charity 2022**	Charity 2021
	£	£	**£**	£
Depreciation on tangible fixed assets	**63,367**	71,273	**61,241**	68,359
Auditor's remuneration	**13,290**	11,800	**8,090**	7,800
Auditor's remuneration - non-audit	**-**	-	**-**	-
Pension costs	**17,706**	18,855	**16,289**	17,539

During the year, no Trustees received any remuneration (2021: £NIL).
During the year, no Trustees received any benefits in kind (2021: £NIL).
No Trustees received reimbursement of expenses (2021: £NIL).

9. Staff costs

Staff costs were as follows:

	Group 2022	Group 2021	**Charity 2022**	Charity 2021
	£	£	**£**	£
Wages and salaries	**608,418**	725,355	**528,891**	655,730
Social security costs	**58,722**	62,684	**52,958**	57,672
Pension costs	**17,706**	18,855	**16,289**	17,539
	684,846	806,894	**598,138**	730,941

The average number of people employed by the charitable group during the year was as follows:

	Group 2022	Group 2021	**Charity 2022**	Charity 2021
	No.	No.	**No.**	No.
Sessional services	**8**	11	**8**	11
Fundraising	**1**	2	**1**	2
Retail shops	**5**	5	**-**	-
Support	**10**	8	**10**	8
	24	26	**19**	21

One employee received remuneration amounting to more than £60,000 in the year. The employee was paid in the £60,000-£69,999 band (2021 - one emolyee)

During the year there was £0 redundancy pay (2021 - £10,469)

Notes to the financial statement for the year ended 31 December 2022

10. Tangible fixed assets

Group	Land & buildings £	Furniture & equipment £	Fixtures & fittings £	Total £
Cost				
At 1 January 2022	1,192,156	262,568	146,363	1,601,087
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2022	1,192,156	262,568	146,363	1,601,087
Depreciation				
At 1 January 2022	136,580	209,164	106,645	452,389
Charge for the year	21,154	26,990	15,223	63,367
On disposals				-
At 31 December 2022	157,734	236,154	121,868	515,756
Net book value				
At 31 December 2022	**1,034,422**	**26,414**	**24,495**	**1,085,331**
At 31 December 2021	*1,055,576*	*53,404*	*39,718*	*1,148,698*
Charity				
Cost				
At 1 January 2022	1,170,474	255,325	140,833	1,566,632
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2022	1,170,474	255,325	140,833	1,566,632
Depreciation				
At 1 January 2022	114,898	204,664	100,826	420,388
Charge for the year	21,154	24,909	15,178	61,241
On disposals				-
At 31 December 2022	136,052	229,573	116,004	481,629
Net book value				
At 31 December 2022	**1,034,422**	**25,752**	**24,829**	**1,085,003**
At 31 December 2021	*1,055,576*	*50,661*	*40,007*	*1,146,244*

Notes to the financial statement for the year ended 31 December 2022

11. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due after more than one year				
Amounts owed by group undertakings	-	-	**97,031**	*115,091*
Due within one year				
Outstanding fees	**13,873**	*2,952*	**13,873**	*2,597*
Amounts owed by group undertakings	-	-	**37,131**	*80,492*
Other debtors	**21,949**	*21,275*	-	-
Prepayments	**13,584**	*13,979*	-	-
Accrued income	**2,742**	*2,653*	-	-
	52,148	*40,859*	**148,035**	*198,180*

Included in the amounts due to the charity from group undertakings is a loan of £134,162 from CPotential Trading Ltd, a wholly owned subsidiary of the charity. The loan bears interest at the rate of 2.5% above the Bank of England base rate.

12. Creditors

Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	**39,680**	*7,786*	**19,313**	*6,467*
Tax and social security	**109,926**	*17,300*	**106,107**	*16,066*
Bank loan	**11,226**	*8,333*	**11,226**	*8,333*
Other creditors	**4,704**	*4,459*	**4,457**	*4,193*
Accruals	**65,730**	*52,056*	**22,689**	*26,297*
Deferred income	-	*1,080*	-	*1,080*
	231,266	*91,014*	**163,792**	62,436

Amounts falling due after more than one year

Rent deposit	**18,667**	*18,667*	-	-
Bank loan	**31,666**	*41,667*	**31,666**	*41,667*
	50,333	*60,334*	**31,666**	*41,667*

Included within Bank Loans is a Bounce Back Loan made available as part of the UK Government Coronavirus support scheme. The loan is guaranteed by the UK Government under BBLS. The loan attracts interest at a rate of 2.50% and is repayable by 60 monthly instalments of £934.36. The final repayment is due in February 2027.

	Charity 2022 £	Charity 2021 £	Group 2022 £	Group 2021 £
Due within 1 year	**11,226**	*8,333*	**11,226**	*8,333*
Due between 1-2 years	**19,999**	*10,000*	**19,999**	*10,000*
Due between 2-5 years	**11,667**	*30,000*	**11,667**	*30,000*
Due after 5 years		*1,667*	-	*1,667*
	42,892	**50,000**	**42,892**	**50,000**

Notes to the financial statement for the year ended 31 December 2022

13. Statement of funds

	Brought forward £	Incoming resources £	Resources expended £	Gains/ (losses) £	Transfers £	Carried forward £
Restricted funds						
Capital campaign fund	-	4,980	-	-	-	**4,980**
Equipment fund	6,872	3,500	(7,872)	-	-	**2,500**
Early Intervention fund	-	26,750	(19,084)	-	-	**7,666**
Wellbeing Therapy fund	1,200	-	(1,200)			**-**
Weekend Activities	-	33,463				**33,463**
Speech & Language Therap	5,000	-	(5,000)			**-**
Immersive Story		7,433	(7,433)			**-**
Impact Measures Framewo	-	26,500	(22,000)			**4,500**
Music Therapy fund	-	14,144	(8,798)	-	-	**5,346**
	13,072	116,770	(71,387)	-	-	**58,455**
Designated funds						
Land & building reserve	1,175,000	-	-	-		**1,175,000**
Maintenance reserve	-	-	-	-	-	**-**
Retail reserve	185,000	-	-	-		**185,000**
Innovation reserve	-	-	-	-	-	**-**
Events reserve	-	-	-	-	-	**-**
General funds	(165,064)	568,661	(926,510)	-	-	**(522,913)**
Total unrestricted	1,194,936	568,661	(926,510)	-	-	**837,087**
Total of funds	1,208,008	685,431	(997,897)	-	-	**895,542**
Restricted funds 2021						
Capital campaign fund	*9,595*	-	*(9,595)*	-	-	**-**
Equipment fund	*35,273*	*34,705*	*(63,106)*	-	-	***6,873***
Early intervention fund	*32,527*	*39,992*	*(72,519)*	-	-	**-**
	-	*9,900*	*(8,700)*			***1,200***
		5,000	-			***5,000***
Music therapy fund	-	*15,000*	*(15,000)*	-	-	**-**
	77,395	*104,597*	*(168,919)*	-	-	***13,073***
Designated funds 2021						
Land & building reserve	*1,175,000*	-	-	-		***1,175,000***
Maintenance reserve	*140,000*	-	-	-	*(140,000)*	**-**
Retail reserve	*185,000*	-	-	-		***185,000***
Innovation reserve	*250,000*	-	-	-	*(250,000)*	**-**
Events reserve	*30,000*	-	-	-	*(30,000)*	**-**
						-
General funds 2021	*(213,380)*	*639,791*	*(1,011,475)*	-	*420,000*	***(165,064)***
Total unrestricted 2021	*1,566,620*	*639,791*	*(1,011,475)*	-	-	***1,194,936***
Total of funds 2021	*1,644,015*	*744,388*	*(1,180,393)*	-	-	***1,208,009***

Notes to the financial statement for the year ended 31 December 2022

14. Statement of funds (continued)

Purposes of restricted funds

Capital campaign fund	The capital campaign fund consists of monies donated for the development of an extension and improvements to the Centre's building.
Equipment fund	The equipment fund consists of monies donated for the purchase of small items and capital items for the font-line services.
Early intervention fund	The early intervention fund consists of monies received for delivering our pre-school and outreach services.
Music therapy fund	The music therapy fund consists of monies received for the provision of music therapy.
Wellbeing therapy fund	The wellbeing therapy fund consists of monies received for the provision of wellbeing therapies for families.
Speech & Language therapy fund	The speech & language therapy fund consists of monies received for the provision of speech and language therapy.
Weekend activities	The weekend activities fund received monies for provision of play activities at weekends.
Immersive Story	The Immersive Story fund consists of monies to deliver reading and story telling activities.
Impact Measures Framework	The Impact Measures Framework consists of monies to develop an outcome indicators in therapy services effectiveness.

Purposes of designated funds

Land & building reserve	The land and building reserve represents the unrestricted funds invested in the charity's freehold land and buildings plus an allowance for forthcoming additions which are not therefore available for other purposes.
Maintenance reserve	The maintenance reserve is monies set aside by the Trustees for the future maintenance of the charity's land and buildings.
Retail reserve	The retail reserve represents money loaned to the charity's trading subsidiary company and therefore not available for other purposes.
Innovation reserve	The innovation reserve is monies set aside by the trustees in order to be able to pilot new activities that do not yet have funding including new services, new partnerships and new fundraising programmes.
Events reserve	The events reserve is money set aside to allow for the organising of fundraising and promotional events where costs have to be paid out before income is received.

Notes to the financial statement for the year ended 31 December 2022

15. Analysis of net asssets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	*Total funds 2021*
	£	£	£	*£*
Tangible fixed assets	1,085,330	-	**1,085,330**	*1,148,699*
Current assets	33,358	58,455	**91,814**	*210,658*
Creditors due within one year	(231,266)	-	**(231,266)**	*(91,013)*
Creditors due after one year	(50,333)	-	**(50,333)**	*(60,334)*
	837,089	58,455	**895,544**	*1,208,010*
Tangible fixed assets 2021	*1,148,699*	-	***1,148,699***	
Current assets 2021	*197,585*	*13,073*	***210,658***	
Creditors due within one year 2021	*(91,013)*	-	***(91,013)***	
Creditors due after one year 2021	*(60,334)*	-	***(60,334)***	
	1,194,938	*13,073*	***1,208,010***	

16. Operating lease commitments

At 31 December 2022 the total of the future minimum annual lease payments under non cancellable operating leases

	Charity 2022	Charity *2021*	Group 2022	*Group 2021*
	£	£	£	*£*
Within 1 year	-	-	**57,792**	*57,792*
Between 1 and 5 years	-	-	**224,000**	*224,000*
More than 5 years	-	-	**110,444**	*110,444*
	-	-	**392,236**	*392,236*

17. Subsidiaries

Company name	Country	Company number	Description	Percentage shareholding
CPotential Trading Ltd	England	05544962	Retail shops selling donated goods	100%

The charitable company hasn't entered into any related party transaction during the year ended 31 December 2022

18. Related Parties

The charitable company has not entered into any related party transactions during the year, nor are there any outstanding balances owing between related parties and the charitable company at 31 December 2022.

19. Post balance sheet events

In its financial statements, CPotential Trust reports an intercompany loan extended to its subsidiary, CPotential Trading. This loan originated in 2016, following a strategic restructuring of the trading division. Over the subsequent six years, multiple initiatives were undertaken to enhance the subsidiary's market presence, sales figures and reduction of overheads. Nonetheless, the subsidiary's performance was adversely impacted by the post-pandemic challenges facing the high street retail sector, notably the competition from online retailers. In response to these challenges, the board of directors resolved in October 2023 to initiate a creditors' voluntary winding-up process for the subsidiary. As of the financial year-end on 31 December 2022, the outstanding balance of the loan stood at £134,162. The loan is scheduled to be written off in 2023 accounts.

In 2021, CPotential Trust, opted for a sale and leaseback arrangement for its premises as a strategic move to liquidate the asset, this generated sale proceeds of £1.4m. The charity did not exchange and complete on this transaction until 22 March 2024 which saw the charity receive £627,750 after taking into consideration charges incurred and the repayment of funding taken out, post year end, to ensure the charity could continue to operate as a going concern. This funding has been vital to the continuation of the charity.

CPOTENTIAL TRUST

England & Wales - Charity number 1124524

Accounts

Registered Company Number: 05848363
Registered Charity Number: 1124524

CPotential Trust

Trustees Report and Financial Statements

For the year ended 31 December 2021

Reference and administrative details of the charity, its trustees and advisers for the year ended 31 December 2021

Trustees	Christopher Gilbert, Chair Anthony Dowle Timothy Hammett Raisa Hassan Catharine Seddon Deborah Trigg
Chief Executive Officer	Brett Parker
Registered Company Number	05848363
Registered Charity Number	1124524
Registered Office	143 Coppetts Road London N10 1JP
Independent Auditors	Xeinadin Audit Limited Chartered Accountants 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Barclays Bank plc 223 Muswell Hill Broadway London N10 1DD

Contents

Page

Report of the Trustees 4

Letter from the Chair of Trustees 13

Letter from the CEO 14

Independent auditor's report 15

Consolidated statement of financial activities 18

Charity statement of financial activities 19

Consolidated and charity balance sheet 20

Consolidated statement of cash flow 21

Notes to the financial statement 22

Report of the Trustees

For the year ended 31 December 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of CPotential Trust operating as CPotential (the charity and the group) for the year to 31 December 2021. The Trustees confirm that the annual report and financial statements of the charity and the group comply with the current statutory requirements, the requirements of the charity and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Since the charity and the group qualify as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required for this charity. The reference and administrative information set out on page 2 forms part of this report.

Structure, governance, and management

CPotential is a long-established charity, which was founded as The Hornsey Trust for Handicapped Children in 1963. The charity is a company limited by guarantee (Company Number 05848363) and is governed by its Memorandum and Articles of Association. The Hornsey Trust for Handicapped Children was dissolved, and its assets were duly transferred to the company on 31 December 2008.

The charity is managed by a Board of Trustees and the power of appointing and removing Trustees lies with the Trustees. The Board meets five times a year with various sub-committees meeting in between. Day to day management of the charity is delegated to the Chief Executive Officer and the Senior Leadership Team. The Senior Leadership Team comprised the CEO, Clinical Services Manager, Director of Resources, Director of Fundraising and Director of Finance; two of these positions are part-time.

In 2020 the charity established a Finance and Investment Committee to increase finance oversight and planning. Chaired by Tim Hammett (Trustee) and comprising of Chris Gilbert (Chair of Trustees), Brett Parker (CEO) and Agnieszka Kosacz (Director of Finance). Reporting to the main board, the committee meets monthly and reviews the financial performance and projections in detail and recommends and executes investments.

The recruitment and appointment of Trustees is undertaken on an on-going basis to maintain appropriate numbers and skills. The charity uses an open recruitment process. There is an induction process for new Trustees, which includes an interview with the Chief Executive Officer and the Chair of Trustees, the opportunity to observe a Board meeting, an opportunity to observe the charity's activities first-hand and the provision of various documents such as copies of Board minutes, and Charity Commission guidance and information. The Charity has a trading subsidiary: CPotential Trading Ltd.

Objectives and activities

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. The Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The main objective of the charity is the provision of therapeutic services, support, and advice to children, and their families / carers with movement disorders such as cerebral palsy. Our work integrates physical and occupational therapies. We work from the fundamental ethos that every child can learn and progress, and grow in confidence, skills, and independence. We help each child develop their mobility, motor, sensory, communication, emotional, problem-solving, and self-help skills. Importantly, we embed these into practical applications to encourage independence.

In 2021 the charity fulfilled its aims and objectives by providing services as follows:

- **Physiotherapy**: Regular physiotherapy encourages movement and balance, helping to strengthen muscles and joints and reinforces stability and positioning. Our physiotherapy utilises evidence-based task training to provide fun and motivating repetition to get the task practice to improve motor functions such as walking. We also provided tailored intensive pre- and post-SDR surgery physiotherapy. In 2021 we delivered 755 physiotherapy sessions.

"It makes all the difference, having a tailor-made physio session with his therapist who understands the benefits of making each session fun whilst encouraging him to work hard, helping him to realise and reach his full potential, while as parents we struggle trying to encourage our child to complete regular exercise. The use of equipment at CPotential like the "Spider cage" has really helped our son to improve his muscle strength and balance, which we were really struggling to do at home." *Andy's mum*

- **Upper Limb Therapy, CIMT** *(Constraint Induced Movement Therapy)* and **Bimanual Skills Training**: Functional hand skills work form part of all integrated therapy sessions at CPotential. We delivered a range of therapy packages focusing on hand skills for children with motor disorders, and to increase and maximise the use of two hands together - needed for day-to-day activities like feeding, dressing, writing, and play.
- **Music Therapy**: we are very grateful to The Amy Winehouse Foundation for their continuing support of our Music Therapy service which has such a positive impact on children's physical, cognitive, social, and emotional development and gives children new opportunities to express themselves, leading to increased confidence and self-esteem. It is also a psychological therapy in which behavioural and emotional difficulties can be explored and worked with. In 2021 we delivered 317 music therapy sessions.

"We are extremely grateful to have been awarded funded music therapy sessions through the Amy Winehouse Foundation. Our son absolutely adores his therapist and we have watched him grow in confidence with his speech and singing. Watching him so happy and free to express himself through music therapy is an absolute joy." *Ruairi's mum*

- **Conductive Education:** With the support of the BBC Children in Need fund we helped children improve their mobility and problem-solving skills to tackle everyday tasks. Improving their communication skills to express their feelings and needs and helping them to build friendships and gain social interaction skills while having fun and building their self-esteem. In 2021 we delivered 1,193 sessions of conductive education.

"CPotential has aided Edith's physical development as well as her emotional and social development. Since we started, Edith has learnt to walk, climb, run, jump, and use various play equipment. She has made wonderful friends at CPotential, and her social skills have progressed immensely." *Edith's mum*

- **Occupational Therapy and Sensory Integration** provides support for physical, sensory, or cognitive problems that prevent children and young people from participating in the activities of everyday life. Through the therapeutic use of everyday activities, children can develop, recover, improve, as well as maintain the skills needed for daily living such as self-care routines like getting dressed, toileting, eating, and school ready skills, such as handwriting and using scissors - concentrating and focusing on activities and learning. In 2021 we delivered 181 occupational therapy sessions.

"Ivy has absolutely loved OT and Bimanual Therapy with the amazing Paula, especially being in the sensory swing, making kitten toys and all the fun garden activities with the team. It's hard work, but lots of great progress made. It's the people that make a place special and CPotential has the most caring and amazing team we could have wished for. We are so thankful." *Ivy's mum and dad*

- **Wellbeing Support**: Parents and carers of children and young people with movement disorders often need support with their wellbeing. With the help of the National Lottery Awards for All, we developed a wellbeing support programme with an expert practitioner, Charlie Lyons of Connect In. The 6-week course programme proved highly popular with families, and we have a waiting list for future funded courses or sessions.

"Charlie is such a breath of fresh air, she is kind, patient and I have benefited enormously from the time we have spent together. As parents our wellbeing is always bottom of the list, but Charlie provided me with the time, space, and encouragement to reflect and take care of my emotional health." *Anonymous parent*

- **Galileo Whole Body Vibration Therapy**: We introduced the innovative vibration therapy using the full range of vibration platform, tilt table and dumbbells, each playing a vital role in our physiotherapy sessions. The children loved the sensory feedback that vibration gives alongside key benefits to reduce spasticity, build bone density, and improve motor function, muscle control, balance, and circulation

- **Mollii Suit Assessment and Fitting**: A Mollii suit is an assistive technology that helps a person gain more independence in daily life, by relieving spasticity and improving muscle control. Mollii is suitable for adults and children with a variety of neurological conditions, including cerebral palsy, acquired brain injury, stroke or multiple sclerosis

- **Legal, Educational and Financial support services**: With the generous support of Irwin Mitchell, we provided legal, educational and financial service assistance to families, running regular free online advice sessions

- Rebranded and developed our charity shop into a boutique preloved outlet improving sales and returns

- Continued to develop fundraising activities and procedures, leading to an expanded and diversified funding mix able to support the new strategy and direction

- We continued to reduce the charities overhead costs with the introduction of efficacies and automated back-office systems

- The Finance and Investment committee continued to tightly manage the financial performance of the charity by regularly reviewing monthly management accounts and introducing trend analysis and scenario planning.

During 2021 we delivered a total of 2,995 sessions and worked with 147 individual children aged from 3 months to 9 years old.

Our Supporters:

We are grateful to our funders and supporters who have continued to support our work, such as:

- Garfield Weston Foundation
- BBC Children in Need
- Amy Winehouse Foundation
- City Bridge Trust
- National Lottery Awards for All
- Morrisons Foundation
- The Hadley Trust
- Webb Family Trust
- PAR Charitable Trust
- D'Oyley Carte Charitable Trust

Coronavirus Pandemic

The Covid-19 pandemic continued to impact upon our fundraising capacity as funders shifted their support to emergency relief. We continued to receive funding from trusts and foundations and were pleased to realise a 50% year on year increase on our fundraised activities, £277,235 (2021) v £184,484 (2020).

Although we were largely able to continue to provide services during 2021, they were at reduced capacity and parents chose to keep vulnerable children away and the safety and cleaning protocols reduced capacity. We did however see £103,088 year on year increase in sessions delivered.

We were able to utilise the government furlough scheme and other government support (see page 6 for details) albeit at lower levels than £185k (2021) v £244k (2020).

Achievements and performance

In 2020 we established the following objectives: within 24 months we will have a range of holistic integrated therapies and sharply focused support services that are:

- Integrated and all-inclusive
- Evidenced by outcomes
- Accessible and affordable for all.

Our organisation will be:

- Robust - an exemplar of working conditions and professional development
- Sustainable - with diversified funding supported by social enterprises
- Connected - integrated with advice, guidance and partnership sign posting.

We have worked hard during 2021 to progress these objectives.

Integrated and all-inclusive. In 2021 we achieved a milestone in developing the methodology to integrate the specialist therapy areas and service workflow. Our beneficiaries' needs are often long term and are best serviced by long term planning against defined goals . In 2021 we introduced multidisciplinary assessments as the foundation to producing extended therapy plans for our beneficiaries.

Outcome Evidenced. Aligned to our goal to integrate our services. We have received generous support from The City Bridge Trust who have funded a 12-month project to establish a suite of benchmarked impact measures. As we continue to develop our fully integrated services these evidence protocols will provide further support to our development.

Accessible and Affordable for all. With the fantastic backing of our supporters, we have successful supported children with £80,140 of bursaries. We have developed plans and funding to increase our delivery of services into the community and online.

Robust. We have introduced new highly trained staff: Level 7 physiotherapist and occupational therapist. All service staff are supported by a highly experienced level 8 paediatric supervisor and the organisation has recruited an additional trustee with over 20 years of experience as a paediatric physio. Other specialist training on understanding needs and supporting children with Downs Syndrome, Galileo Whole Body Vibration Therapy, Spider Therapy and DMI (Dynamic Movement Intervention). All staff have undertaken training in Safeguarding, Fire Safety and First Aid. We have introduced new back-office systems (HR, service logging and fundraising) to support staff in their work. We continue to integrate these systems.

Sustainable. Despite the circumstances of the pandemic impacting upon our drive towards sustainability we are pleased to have achieved a £103,088 increase in service delivery and a 50% increase in fundraising. Our charity shop is now transformed into a highly attractive boutique preloved outlet and is now generate a return.

Connected. Partnerships have been formed to provide expert advice, wellbeing support, mental health counselling by Mind in Haringey and EHCP guidance.

We are also delighted to have the support of Irwin Mitchell who can provide our beneficiaries with specialist legal, financial, and educational advice. As we move into 2022, we will establish dedicated resources into further partnership development.

Quotes from CPotential families…

"CPotential has, in only a few months, provided a place and space where Poppy is celebrated and supported in a way that works for her. With CE sessions, Music Therapy, play and story time, she has been helped and enriched in so many ways. We have seen her grow in physical strength - she is fitter, stronger and braver; she climbs, she jumps, she skips in a way she did not before." *Poppy's mum*

"We were really grateful to be able to take Teddy for intensive therapy at CPotential which is not really available in Ireland. Our therapist was so encouraging of him and could read him very well and understand when he needed short breaks. It was great to see him tolerate two hours of therapy in a single session and just keep working away at it." *Teddy's mum*

"One of the factors that make any therapy successful is the patience that the therapist has. We always say that Harriet works better with a therapist at CPotential as they have absolute patience with the children. We have seen significant progress with Harriet's confidence, being able to go upstairs with support, and going in a tunnel. We are currently working on tiptoe walking with Andrea and Will, and we are super grateful for how much progress she has achieved." *Harriet's parents*

Financial review

Income: When reviewing the 2021 financial performance it should be noted that the charity had an exceptional source of income in 2019 in the form of proceeds from the sale of land, which provided a capital gain of £1,249,418.

Although Income levels continued to be supressed by the Covid-19 pandemic lockdowns and restrictions we had a 25% increase in revenues £744,388 (2021) v £597,752 (2020) (see page 8 for breakdown).

This income growth was achieved despite a reduction in Covid-19 government support year on year. The Charity received £185,859 (2021) v £244,651 (2020) from the furlough support.

Income from all sources has been used to support the delivery of the charity's key objectives and to develop a strategy and deliver a business plan that ensures sustainable growth and the best possible impact for our beneficiaries.

Expenditure: Although we introduced new staff and resources and increased income our expenditure remained in line with the previous year £1,180,394 (2021) v £1,133,001 (2020).

Trading (Charity Shops): The Covid-19 pandemic and lockdowns severely affected our ability to trade. During 2021 we completed our restructure of our trading shops. The shop closures and reassignments of leases were completed in March 2021.

Revenues for Trading were improved £152,488 (2021) v £144,675 (2020).

The Trading company also benefited from Covid-19 support albeit at a year-on-year reduction £38,418 v £93,053. Costs were reduced to £197,010 (2021) v £244,660 (2020).

Despite the £50k government funding reduction, the performance was slightly improved with the loss for the year of £6,099 (2021) v £6,932 (2020)
This is an encouraging financial achievement and indicates a much-improved trading position as we move forward.

Income: Although the Covid-19 pandemic continued to impact our fundraising, but we were pleased to see a 50% increase in funds raised £277,235 (2021) v £184,484 (2020)

Although the level of government Covid support reduced year-on-year by £58,792 we still had a significant increase in income. This was driven by increased charitable activity and fundraising. Separating the effects of the Government Covid support this represents a year-on-year income increase of 58%. This is also 18% on 2019 pre pandemic income levels.

The Charity income breakdown is as follows:

	2021		**2020**
Donations and capital grants	£277,235	v	£184,484
Charitable Activity	£125,524	v	£22,436
Other income incl. CV-19 grant	£185,859	v	£244,651
Trading income (charity shops)	£152,488	v	£144,675
Investments	£3,282	v	£1,506
Total Income	**£744,388**	**v**	**£597,752**

Expenditure: Our year-on-year expenditure remained levelled £1,180,394 (2021) v £1,133,001 (2020) despite an increase in staff and resources that generated income.

There was a small increase in the cost of raising funds which is reflected in the increase in income levels £434,971 (2021) v £408,897 (2020).

Surplus / Loss: 2021 was another challenging year, however we used our time and resources to push forward with our restructuring of the Charity and introducing new services and resources. This has placed us in a good position for growth as the pandemic restrictions lift.

The charity reduced its loss to £436,006 (2021) despite a backdrop reduction of £58,792k in Covid grant funding.

The trustees are mindful of the reduction of the charity's working capital during the pandemic and have, after careful consideration decided to release capital by way of a sale and lease back on its Coppetts Road asset. It is expected that this will generate £1.85m to recapitalise the charity. Negotiations for this will be concluded in 2022 and the board will take all the required fiduciary and legal advice to ensure full charitable compliance.

Bearing the above in mind, and after making appropriate enquiries, the Trustees are confident that the charity has adequate resources to continue in operational existence. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the going concern basis can be found in the Accounting Policies in Note 1 to the Accounts.

Plans for 2022 and beyond

Our decision to continue with the growth of our service capacity during 2021 is proving to be advantageous as the post pandemic operational environment normalises. We remain confident that the growth in our income and reduction of our losses will continue into 2022 and beyond.

During 2022 we will continue to review and reassess our progress and work towards the achievement of the following objectives:

- By the financial year 2025, our underlying financials will break even
- In two years, we will treble the number of interventions undertaken in-house or referred onwards
- In two years, we will treble the number of individuals we empower
- By the end of 2023, we will have increased and complemented the skills and expertise of the Board and the Executive Team.

We will continue to develop our strategy to generate growth:

a) Exploring additional areas where our services are needed

b) Developing new fundraising streams that can support our work

c) Pushing forward with our multidisciplinary integrated therapies and embedding impact measures

d) Continuing to introduce innovative technologies and effective soft support services that are interconnected.

e) The specific new services we plan to introduce in 2022 are:

- Speech and Language Therapy
- Dynamic Movement Interventions
- Immersive Story Therapy
- LEGO Therapy
- Aquatic Therapy.

Risk management

Trustees consider a risk assessment register at every meeting, and this is regularly updated and reviewed by the Senior Leadership Team. This constitutes a regular review of the major risks to which the charity is exposed. All of these risks are identified and placed on the register. Where appropriate, systems or procedures are established to manage the risks the charity faces.

The culture of the charity is that risk management systems are absorbed into the organisation's daily operations through regular discussion by the Senior Leadership Team and through our policies and procedures. Internal control risks are minimized by the implementation of procedures for the authorisation of all financial transactions and projects. Procedures are also in place to ensure compliance with the health and safety and wellbeing of staff, children, and visitors to the charity.

Investment policy

A specialist Trustee Investment Subcommittee examines the best use of our reserves and develops an investment policy which reflects our needs.

The Investment & Finance Committee is responsible for (and ensures that regular reporting procedures are in operation to monitor the performance of):

All investment related affairs of the Charity including:

a) Appointment and on-going review of the Investment Manager
b) Regular review of the Investment Policy and Mandate to ensure the risk and return characteristics of the investment portfolio align with CPotential's strategic objectives
c) Liaising with the Investment Manager
d) Seeking third-party expert opinion (where appropriate) to assess investment decisions or options that fall outside the remit of an appointed Investment Manager or where the Board of Trustees requires additional re-assurance concerning a specific investment strategy or investment performance related issues.

Following the above principle, in the year 2021 the charity invested £150,000 in the Sarasin Endowment Fund.

Reserves policy

The Trustees have determined a reserves policy in the light of the need to maintain a secure and predictable provision of services to young people with disabilities. Specifically, the policy is to seek to maintain sufficient free reserves to allow the charity to cope with seasonal variations in cash flow and with the types of unexpected expenditure and non-receipt of budgeted income that can typically occur in a charity of our type and size. Having analysed the risks of such eventualities occurring, the Trustees believe that a general reserve of between 3 and 6 months budgeted total expenditure for the current year is appropriate. We were compliant with this policy at the end of 2021.

Designated reserves are also kept, providing for funds invested in fixed assets and for specific needs identified by the Trustees including cyclical maintenance, innovation, and investment in our trading subsidiary, as set out in note 14 to the accounts.

Over the next 24 months, our new strategy and business plan will move us to secure, sustainable and effective services; fundraising activity and designated reserves will be used to facilitate the growth of new resources, people, and equipment.

Remuneration of senior staff policy

Our policy is to seek to pay key staff at a level that is competitive in the employment market to be able to attract and retain high quality personnel who will contribute to the expansion and strategic direction of the charity. The Trustees approve the salaries budget for each calendar year before the start of the year. The Chair of Trustees decides any changes in the Chief Executive's salary based on a review of performance against the objectives set for the foregoing period and available budget. The Chief Executive approves the salaries of other key staff considering, their performance, current market rates and available budget.

Related parties and connected organisations

There are no issues regarding related parties and connected organisations.

Statement of responsibilities of the Trustees

With regards to the attached accounts, it is the responsibility of the Trustees 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 (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained in the financial statements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charity will continue in operation.

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

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Guarantees

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantors at 31 December 2021 was 10. The Trustees have no beneficial interest in the charitable company.

Disclosure of information to auditors

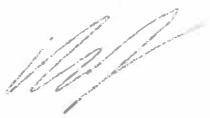
In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The Trustees wish to continue the appointment of the charity's auditors, Xeinadin Audit Limited who have indicated their willingness to continue in that capacity.

Approved by the Trustees on 28th September 2022 and signed on their behalf by:



Christopher Gilbert

Chair of Trustees

Letter from the Chair of Trustees

The year 2021, continued to be dominated by the consequences of the Covid-19 pandemic and a restricted operating environment. However, we have continued to make immense progress in our charity's development. We now have a wide range of evidence based, integrated rehabilitation services, using highly qualified therapists and cutting-edge technology. We are very much looking to the future.

The trustees and team are dedicated to achieving our mission ***"To be the champion in unlocking potential in children and young adults with movement disorders by 2027".***

The difficult years since 2019 have allowed us to revaluate and improve. We are now well placed to continue with our growth and extend the support we can give to our beneficiaries.

In 2021 even with pandemic restrictions we increased the number of crucial therapy sessions to 2,995 (573 in 2020) for 147 (85 in 2020) children in the year. To facilitate this, we also increased our income generation by £146,636.

Our work remains as vital as ever and our decision to push forward with our development during the height of a pandemic means that we are now able to respond to our beneficiaries needs with flexibility and great expertise.

"CPotential has aided Edith's physical development as well as her emotional and social development. Since we started, Edith has learnt to walk, climb, run, jump and use various play equipment. She has made wonderful friends at CPotential, and her social skills have progressed immensely." *Edith's mum*

In 2021 we are very pleased to have introduced:

- Occupational and Sensory Integration Therapy
- Galileo Whole Body Vibration Therapy
- Multidisciplinary Assessments and Therapy Plans
- CIMT, Bimanual and Upper Limb Therapies
- New professional development training for staff
- Employed new highly qualified front line service staff to complement our team
- Introduced new resources and restructured our fundraising department
- Continued to reduce back-office overhead costs
- Improved the performance of our retail operations.

We would like to thank all the individuals, staff, trust funds and companies that have supported us this year.

Christopher Gilbert

Chair of Trustees

Letter from the CEO

"Finding the right therapy centre that works with your family is one of the most important things when raising a child with additional needs. We are so glad that we found CPotential!" Harriet's mum

It's feedback like this that have driven the team forward during a very challenging operational year.

To have delivered nearly 3,000 sessions for 147 children against the constantly changing backdrop of the pandemic and a very restricted and often uncomfortable operational environment is a testament to all our staff, families, and supporters. They have all been remarkable.

We have continued our journey with enthusiasm and commitment. It has been a personal pleasure for me to see our services beginning to thrive.

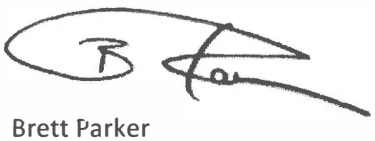
We still have significant challenges ahead with ambitious plans to further expand our service delivery and resources. We are extremely well placed for this and are confident that the progress of CPotential will continue.

I would like to express my sincere thanks to our Board of Trustees who have given their time so generously and provided my team and myself with clear and critical direction.

My thanks also go to all those that have supported us with their time, advice, and money. We all appreciate such generosity.

Finally, my special thanks go to those team members who have worked so hard and diligently delivering the services. You are all exemplars for your profession.

Yours sincerely,



Brett Parker

CEO

Independent Auditors' Report on the financial statements to the Trustees of CPotential Trust

Opinion

We have audited the financial statements of CPotential Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of Matter

We draw attention to the going concern accounting policy which describes the heavy reliance on the completion of the sale and leaseback in order to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Limited
Chartered Accountants and Registered Auditors
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 29 September 2022

Xeinadin Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities incorporating income and expenditure account for the year ended 31 December 2021

	Note	Continued activities Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Donations and capital grants	2	172,638	104,597	**277,235**	*184,484*
Other income (incl. Covid-19 gov grant)	2,3	185,859		**185,859**	*244,651*
Trading activities	3	152,488	-	**152,488**	*144,675*
Charitable activities	4	125,524	-	**125,524**	*22,436*
Investments	5	3,282	-	**3,282**	*1,506*
Total income		639,791	104,597	**744,388**	597,752
Expenditure on:					
Raising funds	6	434,971	-	**434,971**	*408,897*
Charitable activities	6	576,504	168,919	**745,423**	*709,061*
Other expenditure	7	-	-	-	*15,043*
Total expenditure		1,011,475	168,919	**1,180,394**	*1,133,001*
Net income / (expenditure) before other gains and losses		(371,684)	(64,322)	**(436,006)**	*(535,249)*
Net movement in funds		(371,684)	(64,322)	**(436,006)**	*(535,249)*
Reconciliation of funds:					
Total funds brought forward		1,566,622	77,395	1,644,017	*2,179,265*
Total funds carried forward		1,194,938	13,073	**1,208,010**	*1,644,017*

The notes on pages 22 to 34 form part of these financial statements.

Charity statement of financial activities incorporating income and expenditure account for the year ended 31 December 2021

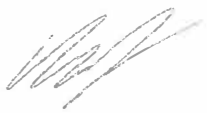
	Note	Continued activities Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Donations and capital grants	2	172,638	104,597	**277,235**	*184,484*
Other income (incl. Covid-19 gov grant)	2	147,441	-	**147,441**	*151,598*
Charitable activities	4	125,524	-	**125,524**	*22,436*
Investments	5	3,282	-	**3,282**	*5,562*
Total income		448,885	104,597	**553,482**	364,080
Expenditure on:					
Raising funds	6	237,966	-	237,966	*168,293*
Charitable activities	6	576,504	168,919	745,423	*709,061*
Other expenditure	7		-	-	*15,043*
Total expenditure		814,470	168,919	**983,389**	*892,397*
Net income / (expenditure) before other gains and losses		(365,585)	(64,322)	**(429,907)**	*(528,317)*
Net movement in funds		(365,585)	(64,322)	**(429,907)**	*(528,317)*
Reconciliation of funds:					
Total funds brought forward		1,725,477	77,395	**1,802,872**	*2,331,188*
Total funds carried forward		1,359,892	13,073	**1,372,965**	*1,802,872*

The notes on pages 22 to 34 form part of these financial statements.

Consolidated and charity balance sheets as at 31 December 2021

	Note	Consol-idated 2021 £	*Consol-idated 2020 £*	Charity 2021 £	*Charity 2020 £*
Fixed assets					
Tangible assets	10	**1,148,699**	*1,175,216*	**1,146,245**	*1,170,490*
		1,148,699	*1,175,216*	**1,146,245**	*1,170,490*
Current assets					
Debtors	11	**24,227**	*29,206*	**198,180**	*187,262*
Prepayments and acrued income	11	**16,632**	*42,083*	**-**	*23,428*
Cash at bank and in hand		**169,799**	*486,785*	**132,643**	*473,369*
		210,658	*558,074*	**330,823**	*684,059*
Creditors: amounts falling due within one year	12	**(91,013)**	*(70,608)*	**(62,436)**	*(51,678)*
Net current assets		**119,645**	*487,466*	**268,387**	*632,381*
Total assets less current liabilities		**1,268,344**	*1,662,682*	**1,414,632**	*1,802,871*
Creditors: amounts falling due after more than one year	12	**(60,334)**	*(18,667)*	**(41,667)**	-
Net assets	15	**1,208,010**	*1,644,015*	**1,372,965**	*1,802,871*
Charity funds					
Restricted funds	13	**13,073**	*77,395*	**13,073**	*77,395*
Unrestricted funds	13	**1,194,937**	*1,566,620*	**1,359,892**	*1,725,476*
Total funds		**1,208,010**	*1,644,015*	**1,372,965**	*1,802,871*

The financial statements were approved by the Trustees on 28/09/22 and signed on their behalf by:



Christopher Gilbert, Chair of Trustees

The notes on pages 19 to 32 form part of these financial statements.

Consolidated statement of cash flows for the year ended 31 December 2021

	Total funds 2021 £	Total funds 2020 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	**(313,898)**	*(464,852)*
Cash flows from investing activities:		
Purchase of property, plant and equipment	**(44,846)**	*(57,913)*
Proceeds from sale of property, plant and equipment		
Net cash provided by (used in) investing activities	**(44,846)**	*(57,913)*
Loans over 12 months taken out /(repaid)	**41,667**	-
Rent deposit over 12 months received	**18,667**	*18,667*
Change in cash and cash equivalents in the reporting period	**(298,410)**	*(504,098)*
Cash and cash equivalents at the beginning of the reporting period	**486,785**	*1,009,550*
Cash and cash equivalents at the end of the reporting period	**169,799**	*486,785*

Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**(436,006)**	*(535,249)*
Adjustments for:		
Depreciation charges	**71,273**	*57,188*
(Decrease)/increase in debtors	**30,430**	*15,410*
(Decrease)/increase in creditors	**20,405**	*(2,201)*
Net cash used in operating activities	**(313,898)**	*(464,852)*

The notes on pages 19 to 32 form part of these financial statements.

Notes to the financial statement for the year ended 31 December 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Statements of financial activities (SOFAs) and Balance sheets are presented for both the group and the charity. The group statements consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status and General Information

The charity is a company limited by guarantee and registered in England and Wales. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

1.3 Basis of consolidation

The financial statements consolidate the accounts of CPotential Trust operating as Cpotential and Cpotential Trading Ltd which is its only subsidiary undertaking.

The charity has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.4 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of support costs.

1.5 Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the forseeable future and there are no material uncertainties about the Charietes ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Charity is heavily reliant on an ongoing sale and leaseback of the building in order to continue as a going concern. The Trustees have taken this into consideration when assessing going concern and are confident that the sale will complete in the near future.

Notes to the financial statement for the year ended 31 December 2021

1.6 Income

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

Voluntary income received by way of donations are included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Income from the sales of goods is accounted for when the goods are sold.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Investment income is recognised on a receivable basis.

1.7 Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of the full-time equivalent number of staff working in each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The costs of generating funds relate to the cost incurred by the group and charity in raising funds for the charitable work.

1.8 Turnover

Turnover comprises revenue recognised by the charity in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Notes to the financial statement for the year ended 31 December 2021

1.9 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold land and buildings	-	2% straight line basis on buildings only
Building improvements	-	5% straight line basis
Fixtures and fittings	-	20% straight line basis
Furniture and equipment	-	33% straight line basis

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

1.10 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.12 Taxation

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

1.13 Government Grants

Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company are recognised as income in the period in which it becomes receivable on an accruals basis and recognised immediately in profit and loss.

Notes to the financial statement for the year ended 31 December 2021

2. Income from donations, legacies and grant income

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	*Total funds 2020*
Group and Charity	**£**	**£**	**£**	*£*
Donations from trusts and foundations	152,149	104,597	**256,746**	*161,797*
Donations from companies	-	-	**-**	*200*
Donations from individuals	20,489	-	**20,489**	*22,487*
Grants income (Covid-19 grant)	147,441	-	**147,441**	*151,598*
	320,079	104,597	**424,676**	*336,082*
Group and Charity 2020	*296,049*	*40,033*	*336,082*	

All of the above income was received by the charity so the group and charity tables are identical.

3. Income and expenditure from trading activities

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	*Total funds 2020*
Group	**£**	**£**	**£**	*£*
Trading income				
Sale of good in charity shops	152,488	-	**152,488**	*144,675*
Other income (incl Covid-19 gov grant)	38,418		**38,418**	*93,053*
	190,906	-	**190,906**	*237,728*
Trading expenditure				
Salaries and National Insurance	75,953	-	**75,953**	*88,318*
Rent of retail shops	93,382	-	**93,382**	*124,211*
Other expenses	24,756	-	**24,756**	*29,284*
Depreciation on tangible fixed assets	2,914	-	**2,914**	*2,847*
	197,005	-	**197,005**	*244,660*
Net income/(loss) from trading activities	(6,099)	-	**(6,099)**	*(6,932)*
Net income/(loss) from trading activities 2020	*(6,932)*	-	*(6,932)*	

Charity - All of the above income was received by the trading subsidiary. The charity has no trading income or expenditure.

Notes to the financial statement for the year ended 31 December 2021

4. Income from charitable activities

Group and Charity	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds* 2020 £
Sessional services	125,524	-	**125,524**	*22,436*
Income from charitable activities	125,524	-	**125,524**	*22,436*
Income from charitable activities 2020	*22,436*	-	*22,436*	

All of the above income was received by the charity so the group and charity tables are identical.

Notes to the financial statement for the year ended 31 December 2021

5. Investment income

Group	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from investments	3,261	-	**3,261**	-
Bank interest	21		**21**	*1,506*
Interest income 2021	*3,282*	-	*3,282*	
Charity				
Income from investments	3,261	-	**3,261**	-
Bank interest	21	-	**21**	*1,506*
Intercompany loan interest	-	-	**-**	*4,056*
Investment income 2021	3,282	-	**3,282**	*5,562*
Investment income 2020	*5,562*	-	*5,562*	

6. Expenditure analysis by function and type of funding

Raising funds	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Donations, legacies and capital grants	237,966	-	**237,966**	*168,293*
Trading activities	197,005	-	**197,005**	*240,604*
Other activities to generate funds	-	-	**-**	-
	434,971	-	**434,971**	*408,897*
Charitable activities				
Primary special school	-	-	**-**	-
Sessional services	637,216	96,219	**733,435**	*699,475*
Parents information project	-	-	**-**	-
Charity governance	11,988	-	**11,988**	*9,586*
	649,204	96,219	**745,423**	*709,061*
Other expenditure				
Capital project and campaign	-	-	**-**	*15,043*
Total expenditure - Group	1,084,175	96,219	**1,180,394**	*1,133,001*
Total expenditure - Charity	887,170	96,219	**983,389**	*892,397*

Total expenditure in the charity is equal to total expenditure in the group less expenditure on trading activities.

Notes to the financial statement for the year ended 31 December 2021

7. Expenditure analysis of direct and support costs

Group	Cost of raising funds £	Cost of charitable activities £	Other costs £	Support costs £	Total 2021 £	*Total 2020* £
Staff costs (charity)	134,391	336,729	-	272,504	**743,624**	*664,751*
Staff costs (trading)*	75,953	-	-	-	**75,953**	*88,318*
Other trading costs*	117,052	-	-	-	**117,052**	*148,286*
School direct costs	-	-	-	-	-	-
Other service costs	-	29,129	-	-	**29,129**	*31,778*
Fundraising - voluntary	4,632	-	-	-	**4,632**	*24,189*
Fundraising - events	-	-	-	-	-	-
Running capital project	-	-	-	-	-	*4,933*
Capital project write-off	-	-	-	-	-	-
Investment management	-	-	-	-	-	*78*
Audit	4,000	7,800	-	-	**11,800**	*10,600*
Other governance costs	-	(3)	-	-	**(3)**	*1,081*
Communications	-	-	-	16,666	**16,666**	*5,766*
Depreciation	-	-	-	68,359	**68,359**	*54,523*
Premises, office & IT	-	-	-	57,042	**57,042**	*56,962*
Management & HR	-	-	-	63,334	**63,334**	*39,346*
Financial administration	-	-	-	(7,194)	**(7,194)**	*2,390*
	336,028	373,654	-	470,712	1,180,394	*1,133,001*
Support costs	98,943	371,769	-	(470,712)	-	-
Total expenditure 2021	**434,971**	**745,423**	-		**1,180,394**	*1,133,001*
Total expenditure 2020	*408,897*	*709,061*	*15,043*		*1,133,001*	

Charity - All of the above expenditure was incurred by the charity apart from the two trading costs lines and £4,000 in the audit line.

Notes to the financial statement for the year ended 31 December 2021

8. Net incoming resources/(resources expended)

This is stated after charging:

	Group 2021	*Group 2020*	**Charity 2021**	*Charity 2020*
	£	*£*	**£**	*£*
Depreciation on tangible fixed assets	**71,273**	*57,188*	**68,359**	*54,342*
Auditor's remuneration	**11,800**	*10,600*	**7,800**	*6,600*
Auditor's remuneration - non-audit	-	-	-	-
Pension costs	**18,855**	*14,999*	**17,539**	*14,006*

During the year, no Trustees received any remuneration (2020: £NIL).
During the year, no Trustees received any benefits in kind (2020: £NIL).
No Trustees received reimbursement of expenses in 2021 (2020: £NIL).

9. Staff costs

Staff costs were as follows:

	Group 2021	*Group 2020*	**Charity 2021**	*Charity 2020*
	£	*£*	**£**	*£*
Wages and salaries	**725,355**	*688,134*	**655,730**	*606,751*
Social security costs	**62,684**	*63,359*	**57,672**	*57,417*
Pension costs	**18,855**	*14,999*	**17,539**	*14,006*
	806,894	*766,492*	**730,941**	*678,174*

The average number of people employed by the charitable group during the year was as follows:

	Group 2021	*Group 2020*	**Charity 2021**	*Charity 2020*
	No.	*No.*	**No.**	*No.*
Sessional services	**11**	*12*	**11**	*12*
Fundraising	**2**	*2*	**2**	*2*
Retail shops	**5**	*3*	-	-
Support	**8**	*9*	**8**	*9*
	26	*26*	**21**	*23*

One employee received remuneration amounting to more than £60,000 in the year. The employee was paid in the £60,000-£69,999 band (2020 - one emolyee)

During the year there was £10,469 redundancy pay to three employees (2020 - £3,000)

Notes to the financial statement for the year ended 31 December 2021

10. Tangible fixed assets

Group	Land & buildings £	Furniture & equipment £	Fixtures & fittings £	Total £
Cost				
At 1 January 2021	1,206,691	243,712	122,749	1,573,152
Additions	-	18,856	25,990	44,846
Disposals	(14,535)		(2,376)	(16,911)
At 31 December 2021	1,192,156	262,568	146,363	1,601,087
Depreciation				
At 1 January 2021	129,961	186,526	81,449	397,936
Charge for the year	21,154	22,638	27,481	71,273
On disposals	(14,535)		(2,285)	(16,820)
At 31 December 2021	136,580	209,164	106,645	452,389
Net book value				
At 31 December 2021	**1,055,576**	**53,404**	**39,718**	**1,148,698**
At 31 December 2020	*1,076,730*	*57,186*	*41,300*	*1,175,216*
Charity				
Cost				
At 1 January 2021	1,170,474	237,202	114,843	1,522,519
Additions		18,123	25,990	44,113
Disposals				-
At 31 December 2021	1,170,474	255,325	140,833	1,566,632
Depreciation				
At 1 January 2021	93,744	184,399	73,886	352,029
Charge for the year	21,154	20,265	26,940	68,359
On disposals				-
At 31 December 2021	114,898	204,664	100,826	420,388
Net book value				
At 31 December 2021	**1,055,576**	**50,661**	**40,007**	**1,146,244**
At 31 December 2020	*1,076,730*	*52,803*	*40,957*	*1,170,490*

Notes to the financial statement for the year ended 31 December 2021

11. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due after more than one year				
Amounts owed by group undertakings	-	-	**115,091**	*121,000*
Due within one year				
Outstanding fees	**2,952**	*3,250*	**2,597**	*3,250*
Amounts owed by group undertakings	-	-	**80,492**	*63,012*
Tax and social security				
Other debtors	**21,275**	*25,955*	-	-
Prepayments	**13,979**	*20,635*	-	*1,980*
Accrued income	**2,653**	*21,448*	-	*21,448*
	40,859	*71,288*	**198,180**	*210,690*

Included in the amounts due to the charity from group undertakings is a loan of £156,000 from CPotential Trading Ltd, a wholly owned subsidiary of the charity. The loan bears interest at the rate of 2.5% above the Bank of England base rate.

12. Creditors

Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	**7,786**	*13,589*	**6,467**	*11,804*
Tax and social security	**17,300**	*18,021*	**16,066**	*17,065*
Bank loan	**8,333**	-	**8,333**	-
Other creditors	**4,459**	*3,276*	**4,193**	*3,276*
Accruals	**52,056**	*22,799*	**26,297**	*19,533*
Deferred income	**1,080**	*12,923*	**1,080**	-
	91,013	*70,608*	**62,436**	51,678

Amounts falling due after more than one year

Rent deposit	**18,667**	**18,667**	-	-
Bank loan	**41,667**	-	**41,667**	-
	60,334	*18,667*	**41,667**	-

Included within Bank Loans is a Bounce Back Loan made available as part of the UK Government Coronavirus support scheme. The loan is guaranteed by the UK Government under BBLS. The loan attracts interest at a rate of 2.50% and is repayable by 60 monthly instalments of £934.36. The final repayment is due in February 2027.

	Charity 2021 £	Charity 2020 £	Group 2021 £	Group 2020 £
Due within 1 year	**8,333**	-	**8,333**	-
Due between 1-2 years	**10,000**	-	**10,000**	-
Due between 2-5 years	**30,000**	-	**30,000**	-
Due after 5 years	**1,667**	-	**1,667**	-
	50,000	-	**50,000**	-

Notes to the financial statement for the year ended 31 December 2021

13. Statement of funds

	Brought forward £	Incoming resources £	Resources expended £	Gains/ (losses) £	Transfers £	Carried forward £
Restricted funds						
Capital campaign fund	9,595	-	(9,595)	-	-	-
Equipment fund	35,273	34,705	(63,106)	-	-	**6,873**
Early Intervention fund	32,527	39,992	(72,519)	-	-	-
Wellbeing Therapy fund	-	9,900	(8,700)			**1,200**
Speech & Language Therapy		5,000	-			**5,000**
Music Therapy fund	-	15,000	(15,000)	-	-	-
	77,395	104,597	(168,919)	-	-	**13,073**
Designated funds						
Land & building reserve	1,175,000	-	-	-		**1,175,000**
Maintenance reserve	140,000	-	-	-	(140,000)	-
Retail reserve	185,000	-	-	-		**185,000**
Innovation reserve	250,000	-	-	-	(250,000)	-
Events reserve	30,000	-	-	-	(30,000)	-
General funds	(213,380)	639,791	(1,011,475)	-	420,000	**(165,064)**
Total unrestricted	1,566,620	639,791	(1,011,475)	-	-	**1,194,936**
Total of funds	1,644,015	744,388	(1,180,394)	-	-	**1,208,009**
Restricted funds 2020						
Capital campaign fund	*24,638*	-	*(15,043)*	-	-	***9,595***
Equipment fund	*12,958*	*25*	*(2,210)*	-	*24,500*	***35,273***
Early intervention fund	-	*40,008*	*(40,008)*	-	*32,527*	***32,527***
Music therapy fund	-	-	-	-	-	-
	37,596	*40,033*	*(57,261)*	-	*57,027*	***77,395***
Designated funds 2020						
Land & building reserve	*1,175,000*	-	-	-		***1,175,000***
Redevelopment reserve	-	-	-	-		-
Maintenance reserve	*140,000*	-	-	-		***140,000***
Retail reserve	*185,000*	-	-	-		***185,000***
Innovation reserve	*250,000*	-	-	-		***250,000***
Events reserve	*30,000*	-	-	-		***30,000***
General funds 2020	*361,668*	*557,719*	*(1,075,740)*	-	*(57,027)*	***(213,380)***
Total unrestricted 2020	*2,141,668*	*557,719*	*(1,075,740)*	-	*(57,027)*	***1,566,620***
Total of funds 2020	*2,179,264*	*597,752*	*(1,133,000)*	-	-	***1,644,015***

Notes to the financial statement for the year ended 31 December 2021

14. Statement of funds (continued)

Purposes of restricted funds	
Capital campaign fund	The capital campaign fund consists of monies donated for the development of an extension and improvements to the Centre's building.
Equipment fund	The equipment fund consists of monies donated for the purchase of small items and capital items for the font-line services.
Early intervention fund	The early intervention fund consists of monies received for delivering our pre-school and outreach services.
Music therapy fund	The music therapy fund consists of monies received for the provision of music therapy.
Wellbeing therapy fund	The wellbeing therapy fund consists of monies received for the provision of wellbeing therapies for families.
Speech & Language therapy fund	The speech & language therapy fund consists of monies received for the provision of speech and language therapy.
Purposes of designated funds	
Land & building reserve	The land and building reserve represents the unrestricted funds invested in the charity's freehold land and buildings plus an allowance for forthcoming additions which are not therefore available for other purposes.
Maintenance reserve	The maintenance reserve is monies set aside by the Trustees for the future maintenance of the charity's land and buildings.
Retail reserve	The retail reserve represents money loaned to the charity's trading subsidiary company and therefore not available for other purposes.
Innovation reserve	The innovation reserve is monies set aside by the trustees in order to be able to pilot new activities that do not yet have funding including new services, new partnerships and new fundraising programmes.
Events reserve	The events reserve is money set aside to allow for the organising of fundraising and promotional events where costs have to be paid out before income is received.

Notes to the financial statement for the year ended 31 December 2021

15. Analysis of net asssets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	*Total funds 2020*
	£	£	£	£
Tangible fixed assets	1,148,699	-	**1,148,699**	*1,175,216*
Current assets	197,585	13,073	**210,658**	*558,074*
Creditors due within one year	(91,013)	-	**(91,013)**	*(69,109)*
Creditors due after one year	(60,334)	-	**(60,334)**	*(18,667)*
	1,194,937	13,073	**1,208,010**	*1,645,514*
Tangible fixed assets 2020	*1,165,621*	*9,595*	***1,175,216***	
Current assets 2020	*547,301*	*10,773*	***558,074***	
Creditors due within one year 2020	*(70,609)*	-	***(70,609)***	
Creditors due after one year 2020	*(18,667)*	-	***(18,667)***	
	1,623,647	*20,368*	***1,644,015***	

16. Operating lease commitments

At 31 December 2021 the total of the future minimum annual lease payments under non cancellable operating leases

	Charity 2021	Charity *2020*	Group 2021	*Group 2020*
	£	£	£	£
Within 1 year	-	-	**57,792**	*80,762*
Between 1 and 5 years	-	-	**224,000**	*234,650*
More than 5 years	-	-	**110,444**	*166,320*
	-	-	**392,236**	*481,732*

17. Subsidiaries

Company name	Country	Company number	Description	Percentage shareholding
CPotential Trading Ltd	England	05544962	Retail shops selling donated goods	100%

There were no related party transactions in the year 2021.

18. Related Parties

The charitable company has not entered into any related party transactions during the year, nor are there any outstanding balances owing between related parties and the charitable company at 31 December 2021.

CPOTENTIAL TRUST

England & Wales - Charity number 1124524

Accounts

Registered Company Number: 05848363
Registered Charity Number: 1124524

CPotential
Educating Enabling Exciting

CPotential Trust

Trustees Report and Financial Statements

For the year ended 31 December 2020

CPotential Trust
(A company limited by guarantee)

Reference and administrative details of the charity, its trustees and advisers for the year ended 31 December 2020

Trustees	Christopher Gilbert, Chair Anthony Dowle Timothy Hammett Raisa Hassan Catherine Seddon
Chief Executive Officer	Brett Parker
Registered Company Number	05848363
Registered Charity Number	1124524
Registered Office	143 Coppetts Road London N10 1JP
Independent Auditors	Williams Giles Professional Services Ltd Chartered Accountants 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Barclays Bank plc 223 Muswell Hill Broadway London N10 1DD

CPotential Trust

Letter from the Chair

For the year ended 31 December 2020

Although the year 2020, for us, like many organisations, was dominated by the consequences of the Covid 19 pandemic and a restricted operating environment we have made immense progress in establishing a wide range of evidence based, integrated rehabilitation services, using highly qualified therapists and cutting-edge technology.

2020 followed 3 challenging years which included the closure of our school in July 2019, the board of trustees, working with our new CEO developed our bold and exciting new strategic vision to provide services that are integrated in modality, embedded within the community and accessible to all regardless of financial circumstances or geography.

We were due to launch our business plan for change in March 2020.

Due to the pandemic, we were not able to operate face to face services between March and Sept 2020. In October 2020 services were again allowed, although due to the operational safety of staff, adhering to government guidelines, and keeping our beneficiaries with health conditions and their families safe from exposure or coming into contact with coronavirus our delivery capacity and performance was reduced by 60%

Despite these restrictions we are extremely pleased to have delivered 447 sessions to 71 children and young people between October and December 2020.

Our normal funding environment was also disrupted, with many supporters shifting their funds to help charities with emergency support.

Regular treatments are essential to the children who use our services. The lockdowns have been very hard on them both physically and mentally, with regression in their physical mobility and cognitive development. Therefore, in July 2020, despite the restricted environment and uncertainty on when "normality" would return, we decided that it was in our beneficiaries' best interests to push forward with the execution of our new plan and ensure our post Covid readiness.

Andy's mother said;

"For us, everything we are achieving and learning from our physio sessions at CPotential is helping us to gain one more step closer to an independent future for our child, not only at school but as they go into adulthood and the potential to achieve beyond their abilities if they had not been attending the centre".

Despite the challenges of 2020 we are extremely proud by what we have achieved. We adapted quickly to Covid conditions and revitalising the charities operations. Our team worked hard and we:

- Introduced new staff, equipment, and technology for the delivery of new services (physio, occupational therapy, CIMT, sensory integration, wellbeing and online)
- Introduced new resources and restructured our fundraising department
- Reduced back office overhead costs, introducing new cloud-based HR, Fundraising and Clinical administration systems
- Restructured our retail operations
- Further improved our governance and financial management with the Finance and Investment Committee

We would like to thank all the individuals, staff, trust funds and companies that have supported us this year.

Chris Gilbert

Chair of Trustees

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of CPotential Trust operating as CPotential (the charity and the group) for the year to 31 December 2020. The Trustees confirm that the annual report and financial statements of the charity and the group comply with the current statutory requirements, the requirements of the charity and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Since the charity and the group qualify as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required for this charity. The reference and administrative information set out on page 2 forms part of this report.

Structure, governance, and management

CPotential is a long-established charity, which was founded as The Hornsey Trust for Handicapped Children in 1963. The charity is a company limited by guarantee (Company Number 05848363) and is governed by its Memorandum and Articles of Association. The Hornsey Trust for Handicapped Children was dissolved, and its assets were duly transferred to the company on 31 December 2008.

The charity is managed by a Board of Trustees and the power of appointing and removing Trustees lies with the Trustees. The Board meets five times a year with various sub-committees meeting in between. Day to day management of the charity is delegated to the Chief Executive Officer and the Senior Leadership Team. The Senior Leadership Team comprised the CEO, Director of Clinical Services, Director of Resources, Director of Fundraising and Director of Finance; two of these positions are part-time.

In 2020 the charity established a Finance and Investment Committee to increase finance oversight and planning. Chaired by Tim Hammett and comprising of Chris Gilbert (Chair of Trustees), Brett Parker (CEO) and (Agnieszka Kosacz) Director of Finance. Reporting to the main board the committee meets monthly and reviews the financial performance and projections in detail and recommends and executes investments.

The recruitment and appointment of Trustees is undertaken on an on-going basis to maintain appropriate numbers and skills. The charity uses an open recruitment process. There is an induction process for new Trustees, which includes an interview with the Chief Executive Officer and the Chair of Trustees, the opportunity to observe a Board meeting, an opportunity to observe the charity's activities first-hand and the provision of various documents such as copies of Board minutes, and Charity Commission guidance and information. The Charity has a trading subsidiary: CPotential Trading Ltd.

Objectives and activities

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. The Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The main objective of the charity is the provision of therapeutic services, support, and advice to children, and their families / carers with movement disorders such as cerebral palsy. Our work integrates physical and occupational therapies. We work from the fundamental ethos that every child can learn and progress, and grow in confidence, skills, and independence. We help each child develop their mobility, motor, sensory, communication, emotional,

problem-solving, and self-help skills. Importantly, we embed these into practical applications to encourage independence.

In 2020 the charity fulfilled its aims and objectives by providing services as follows:

- Early Intervention sessions: Delivered through Parent and Child Groups for children aged six months to three years. The sessions develop the child's abilities and embed learned skills into the home environment. Studies show how vital early intervention is to a child's development. This shared experience is transformative for families.
- Sessions for Older Children: Group and individual sessions for children and young people that build upon the physical, social and emotional development skills gained from early intervention sessions. The process develops problem-solving and logical thinking skills, enabling the child to be as independent as possible.
- Learning for Living sessions: Practical activities for young children and their carers. This focuses on such things as dressing, toileting, meals and play.
- Music Therapy sessions. Benefiting children with a wide range of needs, music therapy has a positive impact on a child's physical, cognitive, social and emotional development, building confidence and self-esteem. Music therapy is particularly relevant for children who express nonverbally.
- Rebound Therapy sessions. Using a specialist trampoline these one-to-one sessions improve posture, core stability and balance whilst toning muscle and building communication and confidence.
- Physiotherapy sessions: Provided by qualified paediatric physio therapists within one-to-one sessions
- Online sessions. Developed in response to the Covid 19 pandemic lockdowns we delivered a range of online interventions providing guided exercises, music therapy and parent advice sessions.
- Mollii Suit Assessment and Fitting: A Mollii suit is an assistive technology that helps relieve spasticity and improves muscle control.

We also achieved the following:

- Terminating and reassigning leases of unprofitable charity shops, as well as restructuring retail management and staff.
- Reviewing and restructuring fundraising activities and procedures, leading to an expanded and diversified funding mix able to support the new strategy and direction.
- We continued to reduce the charities overhead costs with the introduction of efficacies and automated back office systems
- The Finance and Investment committee continued to tightly manage the financial performance of the charity by regularly reviewing monthly management accounts and introducing trend analysis and scenario planning.

We are grateful to our funders and supporters who have continued to support our work.

Achievements and performance

Following the recruiting a new CEO in September 2019 with skills in strategic review, change management and organisational renewal and scale-up, a new vision, strategy and business plan was developed, its aims being as follows:

Within 24 months we planned to have a range of holistic integrated therapies and sharply focused support services that are:

- Evidenced by outcomes
- Accessible and affordable for all
- Leading our sector

Our charity will be:

- Robust. An exemplar of working conditions and professional development
- Sustainable. With diversified funding from various income sources
- Connected. Integrated with advice, guidance, and partnership signposting
- Scalable. Transferrable processes and services, easily introduced into new settings
- Forward-thinking. Embracing and testing new ideas and technologies to improve outcomes
- Collaborative. Partnering and complementing existing service providers and centres of research

The evidenced based, blended integration of services will enable us to:

- Attract funding
- Influence and gain statutory commissioning
- Develop a "plug and play" branded service which can be easily installed into other centres/partnerships, generating revenues for quality control, licensing and training
- Supply packages of service to the NHS.

Our integrated services will look at the whole needs of our beneficiaries and provide a "One Stop Shop" with

- A reproduceable "Plug & Play" Delivery Model
- The highest quality of evidenced services
- Ground breaking technology
- Services that are affordable and reachable for all
- Community partnership integrated

Following the preparatory work in late 2019 a plan of action was formed. In March 2020 we were due to launch our new business plan to deliver upon this strategy.

The Covid 19 pandemic lockdown between March and July 2020 prevented this. No service provision was allowed. We furloughed our front line staff and with the assistance of the City Bridge Trust we were able to launch a suite of online services in June 2020.

With the partial easing of the initial lockdown in July 20 we made the decision to push ahead with the new business plan. Although we understood that Covid restrictions would repress our service capacity and uptake we decided to ready ourselves for the return of normal conditions. We, therefore, recruited and trained new front line staff accordingly, reequipped the centre and began marketing campaigns for new clients.
The suite of new integrated services were launched in October 2020, albeit with reduced capacity. These services gave 447 sessions to 71 children and young people between October and December 2020.

Both individual and group sessions were offered. A bursary system was introduced to provide sessions either free of charge or at reduced cost. Despite lockdowns and Covid restrictions we received an average of 3 requests per week for new children to be assessed for services.

What our families have said about us:

The advice, support and care we receive is priceless and the variety of activities is endless making them a 360 facility where they can help every aspect of Ivy difficulties. CPotential is the first place of choice for our daughter , I will never

be able to thank them enough for everything they have done and still do for our all family. We feel truly blessed to be part of the CPotential family - Ivy's mum.

Sara has now been walking for around six months and I'm certain this would not have happened as quickly as it did if it weren't for the help she received during sessions at CPotential. Her hand-eye coordination has improved, and reaching with both hands, but most noticeably, her confidence. CPotential has most definitely exceeded our expectations" - Sara's mum.

For us, everything we are achieving and learning from our physio sessions at CPotential is helping us to gain one more step closer to an independent future for our child, not only at school but as they go into adulthood and the potential to achieve beyond their abilities if they had not been attending the centre" - Andy's mum.

The Covid 19 pandemic has had a severe impact upon our fundraising capacity as funders shifted their support to emergency relief. We continued to receive funding from trusts and foundations albeit it at a reduced level from the previous year (see page 6 for details).

Our supporters were unable to raise the income levels which we had, pre Covid projected as challenge events such as the London Marathon did not take place. See page 6 for a comparative breakdown.

In line with our new strategy, we employed a new director of fundraising in September 2020. Their remit being to increase and diversify our funding streams and reactivate previous funding sources.

We were able to utilise the government furlough scheme and other government support (see page 6 for details).

Financial review

When reviewing the 2020 financial performance it should be noted that the charity had an exceptional source of income in 2019 in the form of proceeds from the sale of land, which provided a capital gain of £1,249,418
All income levels were supressed by the Covid 19 pandemic lockdowns and restrictions £364,080 (2020) v £476,396 (2019) (see page 6 for breakdown)

Despite investing in the staff and resources to launch our new services and fundraising initiatives we still achieved an 5% reduction in charitable expenditure in the year £709,061 (2020) v £750,185 (2019).

The Charity received £151,598 from the government furlough support.

Income from all sources has been used to support the delivery of the charity's key objectives and to develop a strategy and deliver a business plan that ensures sustainable growth and the best possible impact for our beneficiaries.

Trading (Charity Shops): The Covid 19 pandemic and lockdowns severely affected our ability to trade. During 2020 we completed our restructure of our trading shops. Following analysis, we closed the loss-making shops in Essex Road and Chapel Market, concentrating our resources on one shop in Crouch End. We appointed new staff and management. We also received £93,053 of government furlough support. Actual trading income was £144,675 (2020) v £179,875 (2019) making the total revenues £237,728 (2020) v £179,875 (2019)
The financial net loss decreased to -£4,340 (2020) from -£100,673 (2019)

The shop closures and reassignments of leases were completed in March 2021 and trading is now showing a small monthly profit.

Fundraised income: The Covid 19 pandemic had a severe impact on our fundraising for several reasons.

- In July 2019 we discontinued our main activity (Woodstar School).The launch of new services that would attract additional fundraising was delayed and restricted by the Covid lockdowns.

- Funders switched their support to crisis funding. CPotential having the cash benefit of the previous year's land sale resulted in us falling outside this category.
- The restructure and reinforcement of the fundraising team was delayed.
- Community and challenge events were not able to take place.

The Charity income breakdown is as follows:

	2020		2019
Total income	£364,080	v	£476,396
Trusts and foundations	£161,797	v	£222,403
Individual donations	£22,487	v	£26,231
Company donations	£200	v	£20,021
Income from fees	£22,436	v	£143,423
Covid-19 Gov support grant	£151,598	v	£nil
Trading income (charity shops)	£144,675	v	£179,875

Expenditure: We reduced our expenditure on normal operations by 5.5%.

Charitable expenditure decreased to £709,061 *(2020)* v £750,185 *(2019)*.

The cost of raising funds also decreased by 7% £408,897 *(2020)* v £439,648 *(2019)*.

The above income and expenditure figures resulted in a loss for the year of £528,317

Surplus / Loss: 2020 was a challenging year, however we used our time and resources to push forward with restructuring the Charity and introducing new services and resources. This has placed us in a good position for growth as the pandemic restrictions lift.

Bearing the above in mind, and after making appropriate enquiries, the Trustees are confident that the charity has adequate resources to continue in operational existence. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the going concern basis can be found in the Accounting Policies in Note 1 to the Accounts.

Plans for 2021 and beyond

Our decision to equip and grow our new services in 2020 will be advantageous to our growth as restrictions ease. We can then consolidate our services, increase service users and partnerships.

We will continue to develop our strategy to generate growth:

a) geographically by exploring areas where our services are needed

b) within our fundraising operations by forming new fundraising methods, sponsorships and partnerships

c) we intend to further introduce new therapies, innovative technologies and effective soft support services that are interconnected. We remain mindful of the financial challenges within the sector and our priority remains to create a sustainable model for service provision that can be replicated. The specific new services we plan to introduce in 2021 and 2022 are:

   - Physiotherapy Intensive blocks of targeted physiotherapy, intensive rehabilitation for clients who have undergone selective dorsal rhizotomy (SDR) surgery and constraint induced movement therapy (CIMT)
   - Occupational therapy.
   - Speech and language therapy.
   - Wellbeing support for families
   - Educational Healthcare planning services

- Funding support for families
- Lokomat therapy using robotic equipment to help people learn to walk

Risk management

Trustees consider a risk assessment register at every meeting, and this is regularly updated and reviewed by the Senior Leadership Team. This constitutes a regular review of the major risks to which the charity is exposed. All of these risks are identified and placed on the register. Where appropriate, systems or procedures are established to manage the risks the charity faces.

The culture of the charity is that risk management systems are absorbed into the organisation's daily operations through regular discussion by the Senior Leadership Team and through our policies and procedures. Internal control risks are minimized by the implementation of procedures for the authorization of all financial transactions and projects. Procedures are also in place to ensure compliance with the health and safety and wellbeing of staff, children, and visitors to the charity.

Investment policy

The charity's portfolio was liquidated in the summer of 2017. No investments were held during 2019 - 2020. It is planned that the charity will again wish to invest some funds resulting from the sale of land in 2019. It is expected that a balanced investment will be made in early 2021. Our new board of trustees includes individuals with considerable financial and investment experience. A specialist Trustee investment subcommittee has been formed to ensure the best use of our reserves and develop an investment policy which reflects our needs.

Reserves policy

The Trustees have determined a reserves policy in the light of the need to maintain a secure and predictable provision of services to young people with disabilities. Specifically, the policy is to seek to maintain sufficient free reserves to allow the charity to cope with seasonal variations in cash flow and with the types of unexpected expenditure and non-receipt of budgeted income that can typically occur in a charity of our type and size. Having analysed the risks of such eventualities occurring, the Trustees believe that a general reserve of between 3 and 6 months budgeted total expenditure for the current year is appropriate. We were compliant with this policy at the end of 2020.

Designated reserves are also kept, providing for funds invested in fixed assets and for specific needs identified by the Trustees including cyclical maintenance, innovation and investment in our trading subsidiary, as set out in note 14 to the accounts.

Over the next 24 months, our new strategy and business plan will move us to secure, sustainable and effective services; fundraising activity and designated reserves will be used to facilitate the growth of new resources, people, and equipment.

Remuneration of senior staff policy

Our policy is to seek to pay key staff at a level that is competitive in the employment market to be able to attract and retain high quality personnel who will contribute to the expansion and strategic direction of the charity. The Trustees approve the salaries budget for each calendar year before the start of the year. The Chair of Trustees decides any changes in the Chief Executive's salary based on a review of performance against the objectives set for the foregoing period and available budget. The Chief Executive approves the salaries of other key staff considering, their performance, current market rates and available budget.

Related parties and connected organisations

There are no issues regarding related parties and connected organisations.

Statement of responsibilities of the Trustees

With regard to the attached accounts, it is the responsibility of the Trustees 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 (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charity will continue in operation.

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

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Guarantees

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantors at 31 December 2018 was 10. The Trustees have no beneficial interest in the charitable company.

Disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The Trustees wish to continue the appointment of the charity's auditors, Williams Giles Professional Services Ltd who have indicated their willingness to continue in that capacity.

Approved by the Trustees on 31st October 2021 and signed on their behalf by

Christopher Gilbert – Chair

Opinion

We have audited the financial statements of CPotential Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 152 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of an audit in accordance with ISAs (UK), exercise professional judgement and maintain professional scepticism through the audit. We also:

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

2. Held discussions with the client regarding their policies and procedures on compliance with laws and regulations.

3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularities due to the low volume, high value nature of projects undertaken.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Alastair Crawford FCA (Senior Statutory Auditor)
Williams Giles Professional Services Ltd
Chartered Accountants and Statutory Auditors
Sittingbourne
Kent
ME10 5BH

Date: 22 November 2021

Williams Giles Professional Services Ltd are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities incorporating income and expenditure account for the year ended 31 December 2020

		Discontinued activities		Continued activities			
		Unrestricted funds 2020	Restricted funds 2020	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020	*Total funds 2019*
	Note	£	£	£	£	£	£
Income from:							
Donations and capital grants	2	-	-	144,451	40,033	**184,484**	*268,655*
Other income (incl. Covid-19 gov gra	2,3			244,651		**244,651**	-
Trading activities	3	-	-	144,675	-	**144,675**	*179,875*
Other activities to generate funds	4	-	-	-	-	-	*60,024*
Charitable activities	5	-	-	22,436	-	**22,436**	*143,423*
Gain on sale of land	6	-	-	-	-	-	*1,249,418*
Investments	7	-	-	1,506	-	**1,506**	-
Total income		-	-	557,719	40,033	**597,752**	1,901,395
Expenditure on:							
Raising funds	8	-	-	408,897	-	**408,897**	*439,648*
Charitable activities	8	-	-	666,843	42,218	**709,061**	*750,185*
Other expenditure	9	-	-	-	15,043	**15,043**	-
Other expenditure: prepayments on discontinued project written off		-	-	-	-	-	-
Total expenditure		-	-	1,075,740	57,261	**1,133,001**	*1,189,833*
Net income / (expenditure) before other gains and losses		-	-	(518,021)	(17,228)	**(535,249)**	*711,562*
Net movement in funds		-	-	(518,021)	(17,228)	**(535,249)**	*711,562*
Reconciliation of funds:							
Total funds brought forward		(231,283)	-	2,372,952	37,596	2,179,265	*1,467,703*
Total funds carried forward		(231,283)	-	1,854,931	20,368	**1,644,015**	*2,179,265*

The notes on pages 19 to 32 form part of these financial statements.

Charity statement of financial activities incorporating income and expenditure account for the year ended 31 December 2020

	Note	Discontinued activities Unrestricted funds 2020 £	Discontinued activities Restricted funds 2020 £	Continued activities Unrestricted funds 2020 £	Continued activities Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:							
Donations and capital grants	2	-	-	144,451	40,033	**184,484**	*268,655*
Other income (incl. Covid-19 gov grant)	2			151,598	-	**151,598**	-
Donation of profits from trading subsidiary	3	-	-	-	-	-	-
Activities to generate funds	4	-	-	-	-	-	*60,024*
Charitable activities	5	-	-	22,436	-	**22,436**	*143,423*
Gain on sale of land	6	-	-	-	-	-	*1,249,418*
Investments	7	-	-	5,562	-	**5,562**	*4,294*
Total income		-	-	324,047	40,033	**364,080**	1,725,814
Expenditure on:							
Raising funds	8, 9	-	-	168,293	-	**168,293**	*163,394*
Charitable activities	8, 9	-	-	666,843	42,218	**709,061**	*750,185*
Other expenditure	8, 9	-	-	-	15,043	**15,043**	-
Other expenditure: prepayments on discontinued project written off		-	-	-	-	-	-
Total expenditure		-	-	835,136	57,261	**892,397**	*913,579*
Net income / (expenditure) before other gains and losses		-	-	(511,089)	(17,228)	**(528,317)**	*812,235*
Net movement in funds		-	-	(511,089)	(17,228)	**(528,317)**	*812,235*
Reconciliation of funds:							
Total funds brought forward		(231,283)	-	2,524,875	37,596	**2,331,188**	*1,518,953*
Total funds carried forward		(231,283)	-	2,013,786	20,368	**1,802,871**	*2,331,188*

The notes on pages 19 to 32 form part of these financial statements.

Consolidated and charity balance sheets as at 31 December 2020

	Note	Consol-idated 2020 £	*Consol-idated 2019 £*	Charity 2020 £	*Charity 2019 £*
Fixed assets					
Tangible assets	12	**1,175,216**	*1,174,491*	**1,170,490**	*1,167,423*
		1,175,216	*1,174,491*	**1,170,490**	*1,167,423*
Current assets					
Debtors	13	**29,206**	*52,568*	**187,262**	*230,022*
Prepayments and acrued income	13	**42,083**	*34,131*	**23,428**	*7,769*
Cash at bank and in hand		**486,785**	*1,009,550*	**473,369**	*978,620*
		558,074	*1,096,249*	**684,059**	*1,216,411*
Creditors: amounts falling due within one year	14	**(70,608)**	*(72,809)*	**(51,678)**	*(52,646)*
Net current assets		**487,466**	*1,023,440*	**632,381**	*1,163,765*
Total assets less current liabilities		**1,662,682**	*2,197,931*	**1,802,871**	*2,331,188*
Creditors: amounts falling due after more than one year		**(18,667)**	*(18,667)*	-	-
Net assets	17	**1,644,015**	*2,179,264*	**1,802,871**	*2,331,188*
Charity funds					
Restricted funds	15	**20,368**	*37,596*	**20,368**	*37,596*
Unrestricted funds	15	**1,623,647**	*2,141,668*	**1,782,503**	*2,293,592*
Total funds		**1,644,015**	*2,179,265*	**1,802,871**	*2,331,188*

The financial statements were approved by the Trustees on 31/10/21 and signed on their behalf by:

Christopher Gilbert, Chair

The notes on pages 19 to 32 form part of these financial statements.

Consolidated statement of cash flows for the year ended 31 December 2020

	Total funds 2020 £	Total funds 2019 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	**(464,852)**	*(650,227)*
Cash flows from investing activities:		
Purchase of property, plant and equipment	**(57,913)**	*(35,658)*
Proceeds from sale of property, plant and equipment		*1,660,000*
Net cash provided by (used in) investing activities	**(57,913)**	*1,624,342*
Loans over 12 months taken out /(repaid)	**-**	*(100,000)*
Rent deposit over 12 months received	**18,667**	*18,667*
Change in cash and cash equivalents in the reporting period	**(504,098)**	*892,782*
Cash and cash equivalents at the beginning of the reporting period	**1,009,550**	*116,448*
Cash and cash equivalents at the end of the reporting period	**486,785**	*1,009,550*

Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**(535,249)**	*711,562*
Adjustments for:		
Depreciation charges	**57,188**	*55,527*
Income from sale of leasehold facilities	**-**	*(60,000)*
Gain on sale of freehold land	**-**	*(1,249,418)*
The notes on pages 19 to 32 form part of these financial statements.	**15,410**	*(30,218)*
(Decrease)/increase in creditors	**(2,201)**	*(77,680)*
Net cash used in operating activities	**(464,852)**	*(650,227)*

Notes to the financial statement for the year ended 31 December 2020

1. Accounting policiies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Statements of financial activities (SOFAs) and Balance sheets are presented for both the group and the charity. The group statements consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 Company status and General Information

The charity is a company limited by guarantee and registered in England and Wales. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

1.3 Basis of consolidation

The financial statements consolidate the accounts of CPotential Trust operating as Cpotential and Cpotential Trading Ltd which is its only subsidiary undertaking.

The charity has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.4 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of support costs.

Notes to the financial statements for the year ended 31 December 2020

1.5 Income

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

Voluntary income received by way of donations are included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Income from the sales of goods is accounted for when the goods are sold.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Nursery, school and special care fees shown in the statement of financial activities are accounted for in the period in which the service is provided. Fees received in advance are included in creditors as deferred income.

1.6 Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of the full-time equivalent number of staff working in each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The costs of generating funds relate to the cost incurred by the group and charity in raising funds for the charitable work.

1.7 Turnover

Turnover comprises revenue recognised by the charity in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Notes to the financial statements for the year ended 31 December 2020

1.8 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold land and buildings	-	2% straight line basis on buildings only
Building improvements	-	5% straight line basis
Fixtures and fittings	-	20% straight line basis
Furniture and equipment	-	33% straight line basis

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

1.9 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

1.10 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.11 Taxation

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

1.12 Government Grants

Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company are recognised as income in the period in which it becomes receivable on an accruals basis and recognised immediately in profit and loss.

Notes to the financial statement for the year ended 31 December 2020

2. Income from donations, legacies and grant income

Group and Charity	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Donations from trusts and foundations	121,764	40,033	**161,797**	*222,403*
Donations from companies	200	-	**200**	*20,021*
Donations from individuals	22,487	-	**22,487**	*26,231*
Grants income (Covid-19 grant)	151,598	-	**151,598**	-
	296,049	40,033	**336,082**	*268,655*
Group and Charity 2019	*225,655*	*43,000*	*268,655*	

All of the above income was received by the charity so the group and charity tables are identical.

3. Income and expenditure from trading activities

Group	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Trading income				
Sale of good in charity shops	144,675	-	**144,675**	*155,079*
Commission for sale of Mollii suits	-	-	**-**	*2,024*
Other income	-	-	**-**	*22,772*
Covid-19 gov grant	93,053		**93,053**	-
	237,728	-	**237,728**	*179,875*
Trading expenditure				
Salaries and National Insurance	88,318	-	**88,318**	*51,609*
Rent of retail shops	124,211	-	**124,211**	*128,701*
Other expenses	29,284	-	**29,284**	*90,652*
Depreciation on tangible fixed assets	2,847	-	**2,847**	*5,292*
	244,660	-	**244,660**	*276,254*
Net income/(loss) from trading activities	(6,932)	-	**(6,932)**	*(96,379)*
Net income/(loss) from trading activities 2019	*(96,379)*	-	*(96,379)*	

Charity - All of the above income was received by the trading subsidiary. The charity has no trading income or expenditure.

Notes to the financial statement for the year ended 31 December 2020

4. Income from other activities to generate funds

Group and Charity	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Sale of leasehold facilities	-	-	-	*60,000*
Sale of leasehold facilities 2019	*60,000*	-	*60,000*	
Merchandise fundraising				
Sale of Christmas cards	-	-	-	*24*
	-	-	-	*24*
Merchandise fundraising 2019	*24*	-	*24*	

All of the above income was received by the charity so the group and charity tables are identical.

5. Income from charitable activities

Group and Charity	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Primary special school	-	-	-	*115,173*
Early intervention and sessional services	22,436	-	**22,436**	*28,250*
Income from charitable activities	22,436	-	**22,436**	*143,423*
Income from charitable activities 2019	*143,423*	-	*143,423*	

All of the above income was received by the charity so the group and charity tables are identical.

6. Gain on sale of land

During 2019 we sold a piece of vacant land that previously formed about half of our main site at Coppetts Road but did not include our centre building. The sale price was £1,600,000.but selling the land reduced the value of the site belonging to the charity by around £350,000 so the gain on the sale was £1,249,418, the figure shown in our Statement of Financial Affairs.

Notes to the financial statement for the year ended 31 December 2020

7. Investment income

Group	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Bank interest	1,506	-	**1,506**	-
Loan interest	-	-	-	-
Loan interest 2019	-	-	-	
Charity				
Dividend income from investments	-	-	-	-
Bank interest	1,506	-	**1,506**	
Intercompany loan interest	4,056	-	**4,056**	*4,294*
Investment income 2020	5,562	-	**5,562**	*4,294*
Investment income 2019	*4,294*	-	*4,294*	

8. Expenditure analysis by function and type of funding

Raising funds	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Donations, legacies and capital grants	168,293	-	**168,293**	*158,147*
Trading activities	240,604	-	**240,604**	*276,254*
Other activities to generate funds	-	-	-	*5,247*
	408,897	-	**408,897**	*439,648*
Charitable activities				
Primary special school	-	-	-	*346,456*
Early intervention and sessional services	657,257	42,218	**699,475**	*336,691*
Parents information project	-	-	-	*8,540*
Charity governance	9,586	-	**9,586**	*58,498*
	666,843	42,218	**709,061**	*750,185*
Other expenditure				
Capital project and campaign	-	15,043	**15,043**	-
Total expenditure - Group	1,075,740	57,261	**1,133,001**	*1,189,833*
Total expenditure - Charity	835,136	57,261	**892,397**	*913,579*

Total expenditure in the charity is equal to total expenditure in the group less expenditure on trading activities.

Notes to the financial statement for the year ended 31 December 2020

9. Expenditure analysis of direct and support costs

Group	Cost of raising funds £	Cost of charitable activities £	Other costs £	Support costs £	Total 2020 £	*Total 2019 £*
Staff costs (charity)	82,082	287,233	6,616	288,820	**664,751**	*641,105*
Staff costs (trading)*	88,318	-	-	-	**88,318**	*51,609*
Other trading costs*	148,286	-	-	-	**148,286**	*223,145*
School direct costs	-	-	-	-	**-**	*38,730*
Other service costs	-	31,778	-	-	**31,778**	*18,708*
Fundraising - voluntary	24,189	-	-	-	**24,189**	*17,693*
Fundraising - events	-	-	-	-	**0**	*5,247*
Running capital project	-	-	4,933	-	**4,933**	-
Capital project write-off	-	-	-	-	**-**	-
Investment management	-	-	-	78	**78**	-
Audit	4,000	6,600	-	-	**10,600**	*9,660*
Other governance costs	-	1,081	-	-	**1,081**	*41,569*
Communications	-	-	-	5,766	**5,766**	*3,415*
Depreciation	-	-	-	54,523	**54,523**	*50,235*
Premises, office & IT	-	-	-	56,962	**56,962**	*64,172*
Management & HR	-	-	-	39,346	**39,346**	*19,644*
Financial administration	-	-	-	2,390	**2,390**	*4,901*
	346,875	326,692	11,549	447,885	1,133,001	*1,189,833*
Support costs	62,022	382,369	3,494	-447,885	**-**	-
Total expenditure 2020	**408,897**	**709,061**	**15,043**		**1,133,001**	*1,189,833*
Total expenditure 2019	*439,648*	*750,185*	-		*1,189,833*	

Charity - All of the above expenditure was incurred by the charity apart from the two trading costs lines and £4,000 in the audit line.

Notes to the financial statement for the year ended 31 December 2020

10. Net incoming resources/(resources expended)

This is stated after charging:

	Group 2020	*Group 2019*	**Charity 2020**	*Charity 2019*
	£	*£*	**£**	*£*
Depreciation on tangible fixed assets	**57,188**	*55,527*	**54,342**	*50,235*
Auditor's remuneration	**10,600**	*9,660*	**6,600**	*8,160*
Auditor's remuneration - non-audit	**-**	*-*	**-**	*-*
Pension costs	**14,999**	*12,458*	**14,006**	*12,174*

During the year, no Trustees received any remuneration (2019: £NIL).
During the year, no Trustees received any benefits in kind (2019: £NIL).
No Trustees received reimbursement of expenses in 2020, (2019: £NIL).

11. Staff costs

Staff costs were as follows:

	Group 2020	*Group 2019*	**Charity 2020**	*Charity 2019*
	£	*£*	**£**	*£*
Wages and salaries	**688,134**	*626,361*	**606,751**	*576,755*
Social security costs	**63,359**	*53,895*	**57,417**	*52,176*
Pension costs	**14,999**	*12,458*	**14,006**	*12,174*
	766,492	*692,714*	**678,174**	*641,105*

The average number of people employed by the charitable group during the year was as follows:

	Group 2020	*Group 2019*	**Charity 2020**	*Charity 2019*
	No.	*No.*	**No.**	*No.*
School	**0**	*6*		*6*
Early intervention and sessional services	**12**	*4*	**12**	*4*
Fundraising	**2**	*2*	**2**	*2*
Retail shops	**3**	*6*	**-**	*-*
Support	**9**	*7*	**9**	*7*
	26	*25*	**23**	*19*

One employee received remuneration amounting to more than £60,000 in the year. The employee was paid in the £60,000-£69,999 band. In the prior year, no staff were paid over £60,000.

During the year there was £3,000 goodwill payment to Gillespie, no other severance or redundancy were paid (2019 - £2,818)

Notes to the financial statement for the year ended 31 December 2020

12. Tangible fixed assets

Group	Land & buildings £	Furniture & equipment £	Fixtures & fittings £	Total £
Cost				
At 1 January 2020	1,206,691	206,819	118,134	1,531,644
Additions	-	53,298	4,615	57,913
Disposals	-	(16,405)	-	(16,405)
At 31 December 2020	1,206,691	243,712	122,749	1,573,152
Depreciation				
At 1 January 2020	108,807	189,905	58,441	357,153
Charge for the year	21,154	13,026	23,008	57,188
On disposals	-	(16,405)	-	(16,405)
At 31 December 2020	129,961	186,526	81,449	397,936
Net book value				
At 31 December 2020	**1,076,730**	**57,186**	**41,300**	**1,175,216**
At 31 December 2019	*1,097,884*	*16,914*	*59,693*	*1,174,491*
Charity				
Cost				
At 1 January 2020	1,170,474	184,409	110,228	1,465,111
Additions		52,793	4,615	57,408
Disposals				-
At 31 December 2020	1,170,474	237,202	114,843	1,522,519
Depreciation				
At 1 January 2020	72,590	173,500	51,597	297,687
Charge for the year	21,154	10,899	22,289	54,342
On disposals				-
At 31 December 2020	93,744	184,399	73,886	352,029
Net book value				
At 31 December 2020	**1,076,730**	**52,803**	**40,957**	**1,170,490**
At 31 December 2019	*1,097,884*	*10,909*	*58,631*	*1,167,424*

Notes to the financial statement for the year ended 31 December 2020

13. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due after more than one year				
Amounts owed by group undertakings	-	-	121,000	150,000
Due within one year				
Oustanding fees	3,250	16,350	3,250	16,350
Amounts owed by group undertakings	-	-	63,012	55,546
Tax and social security				
Other debtors	25,955	28,092	-	-
Prepayments	20,635	34,131	1,980	7,769
Accrued income	21,448	8,126	21,448	8,126
	71,289	86,699	210,690	237,791

Included in the amounts due to the charity from group undertakings is a loan of £156,000 from CPotential Trading Ltd, a wholly owned subsidiary of the charity. The loan bears interest at the rate of 2.5% above the Bank of England base rate.

14. Creditors

Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	13,589	28,537	11,804	23,758
Tax and social security	18,021	15,466	17,065	14,966
Other creditors	3,276	3,789	3,276	3,789
Accruals	22,799	12,094	19,533	10,133
Loan from a corporate supporter	-	-	-	-
Deferred income	12,923	12,923	-	-
	70,608	72,809	51,678	52,646

Amounts falling due after more than one year

Rent deposit	18,667	18,667	-	-
Loan from a trust	-	-	-	-
	18,667	18,667	-	-

This loan is an intercompany loan from the Parent to the Trading arm.

Notes to the financial statement for the year ended 31 December 2020

15. Statement of funds

	Brought forward £	Incoming resources £	Resources expended £	Gains/ (losses) £	Transfers £	Carried forward £
Restricted funds						
Capital campaign fund	24,638	-	(15,043)	-	-	**9,595**
Equipment fund	12,958	25	(2,210)	-	-	**10,773**
Early intervention fund	-	40,008	(40,008)	-	-	**-**
Music therapy fund	-	-	-	-	-	**-**
	37,596	40,033	(57,261)	-	-	**20,368**
Designated funds						
Land & building reserve	1,175,000	-	-	-		**1,175,000**
Redevelopment reserve	-	-	-	-		**-**
Maintenance reserve	140,000	-	-	-		**140,000**
Retail reserve	185,000	-	-	-		**185,000**
Innovation reserve	250,000	-	-	-		**250,000**
Events reserve	30,000	-	-	-		**30,000**
General funds	361,668	557,719	(1,075,740)	-		**(156,353)**
Total unrestricted	2,141,668	557,719	(1,075,740)	-	-	**1,623,647**
Total of funds	2,179,264	597,752	(1,133,001)	-	-	**1,644,015**
Restricted funds 2019						
Capital campaign fund	*24,638*	-	-	-	-	***24,638***
Equipment fund	*19,292*	-	*(6,334)*	-	-	***12,958***
Early intervention fund	-	*40,000*	*(40,000)*	-	-	**-**
Music therapy fund	-	*3,000*	*(3,000)*	-	-	**-**
Parents podcasts fund					-	**-**
	43,930	*43,000*	*(49,334)*	-	-	***37,596***
Designated funds 2019						
Land & building reserve	*1,267,249*	-	-	-	*(92,249)*	***1,175,000***
Redevelopment reserve	*246,702*	-	-	-	*(246,702)*	**-**
Maintenance reserve					*140,000*	***140,000***
Retail reserve					*185,000*	***185,000***
Innovation reserve					*250,000*	***250,000***
Events reserve					*30,000*	***30,000***
General funds 2019	*(90,178)*	*1,858,395*	*(1,140,500)*	-	*(266,049)*	***361,668***
Total unrestricted 2019	*1,423,773*	*1,858,395*	*(1,140,500)*	-	-	***2,141,668***
Total of funds 2019	*1,467,703*	*1,901,395*	*(1,189,833)*	-	-	***2,179,264***

Notes to the financial statement for the year ended 31 December 2020

16. Statement of funds (continued)

Purposes of restricted funds

Capital campaign fund	The capital campaign fund consists of monies donated for the development of an extension and improvements to the Centre's building.
Equipment fund	The equipment fund consists of monies donated for the purchase of small items and capital items for the fonrt-line services.
Early intervention fund	The early intervention fund consists of monies received for delivering our pre-school and outreach services.
Music therapy fund	The music therapy fund consists of monies received for the provision of music therapy.
Parents podcasts fund	The parents podcasts fund consists of monies received for the provision of podcasts with helpful information for parents of children with disabilities.

Purposes of designated funds

Land & building reserve	The land and building reserve represents the unrestricted funds invested in the charity's freehold land and buildings plus an allowance for forthcoming additions which are not therefore available for other purposes.
Redevelopment reserve	The redevelopment reserve consisted of monies set aside by the Trustees for the development of a major extension to the charity's building, but it has now ben closed because it was not possible to proceed with that plan.
Maintenance reserve	The maintenance reserve is monies set aside by the Trustees for the future maintenance of the charity's mand and buildings.
Retail reserve	The retail reserve represents money loaned to the charity's trading subsidiary company and therefore not available for other purposes.
Innovation reserve	The innovation reserve is monies set aside by the trustees in order to be able to pilot new activities that do not yet have funding including new services, new partnerships and new fundraising programmes.
Events reserve	The events reserve is money set aside to allow for the organising of fundraising and promotional events where costs have to be paid out before income is received.

Notes to the financial statement for the year ended 31 December 2020

17. Analysis of net asssets between funds

	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020	*Total funds 2019*
	£	£	£	*£*
Tangible fixed assets	1,165,621	9,595	**1,175,216**	*1,174,491*
Current assets	547,301	10,773	**558,074**	*1,096,249*
Creditors due within one year	(70,609)	-	**(70,609)**	*(72,809)*
Creditors due after one year	(18,667)	-	**(18,667)**	*(18,667)*
	1,623,647	20,368	**1,644,015**	*2,179,264*
Tangible fixed assets 2019	*1,149,853*	*24,638*	***1,174,491***	
Current assets 2019	*1,083,291*	*12,958*	***1,096,249***	
Creditors due within one year 2019	*(72,809)*	-	***(72,809)***	
Creditors due after one year 2019	*(18,667)*	-	***(18,667)***	
	2,141,668	*37,596*	***2,179,264***	

18. Operating lease commitments

At 31 December 2020 the total of the future minimum annual lease payments under non cancellable operating leases was:

	Charity 2020	*Charity 2019*	Group 2020	*Group 2019*
	£	£	£	*£*
Within 1 year	-	-	**80,762**	*87,750*
Between 1 and 5 years	-	-	**234,650**	*252,351*
More than 5 years	-	-	**166,320**	*222,312*
	-	-	**481,732**	*562,413*

19. Related party transactions

There was one related party transaction. A therapy equipment called Mollii Suits was transferred from the Trading arm to the Parent company at the cost of £5,000. It was a cash free transaction and the amount reduced the balance of the intercompany loan.

20. Subsidiaries

Company name	Country	Company number	Description	Percentage shareholding
CPotential Trading Ltd	England	05544962	Retail shops selling donated goods	100%