

Charity Registration No. 1141827 (England and Wales)

Charity Registration No. SC041763 (Scotland)

Company Registration No. 06052737 (England and Wales)

**MEGAN BAKER HOUSE LTD**

**ANNUAL REPORT AND UNAUDITED  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**PAGES FOR FILING WITH REGISTRAR**

# MEGAN BAKER HOUSE LTD

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Dr R C J Wileman Mr T Oakley Dr D G Gleaves Ms J A Mears Mrs L Auger-Small Mr C Brooks	(Appointed 2 January 2023)
<b>Charity number (England and Wales)</b>	1141827	
<b>Charity number (Scotland)</b>	SC041763	
<b>Company number</b>	06052737	
<b>Principal address</b>	Megan Baker House Orchard Lane Ledbury Herefordshire United Kingdom HR8 1BY	
<b>Registered office</b>	Megan Baker House Orchard Lane Ledbury Herefordshire United Kingdom HR8 1BY	
<b>Independent examiner</b>	Hawkins Priday Ltd 5 Bridge Street Hereford HR4 9DF	
<b>Senior Management Team</b>	Mrs A Gough (Chief Executive) Mr J Gough (Operations Manager)	

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# MEGAN BAKER HOUSE LTD

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# MEGAN BAKER HOUSE LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### Objectives and activities

Our charity's purposes, as set out in the objects contained in the company memorandum of association are:

To advance the education and relieve suffering of primarily children, and in recent years increasing numbers of adults, with motor disorders and provide information, advice and guidance to their families and carers in particular, by means of conductive education.

The charity is a centre for movement disorders and aims to help clients overcome a wide range of neurological conditions and enhance their independence, using techniques based on conductive education. Conductive education sees motor disorders as a problem of learning, oppose to a medical condition needing treatment. It was initially developed for the needs of children with cerebral palsy, but it is appropriate for any condition where the central nervous system affects the ability to coordinate and control movements. In childhood this includes cerebral palsy, developmental coordination disorder (DCD aka dyspraxia) and adults suffering from multiple sclerosis, stroke or Parkinson's disease. It can also be used to help those with acquired brain injury, in all age groups.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### Significant activities

#### Services

Conductive education (CE) sessions were delivered daily, Monday to Friday, at our centre in Ledbury, Herefordshire and six other venues in Herefordshire, Worcestershire, Shropshire and Gloucestershire. Approximately 3,500 hours of specialist services were delivered over the academic year, an average of seventeen hours per day, not including pastoral and practical support for families and carers to help them with the challenges of everyday life, supporting their loved ones. Historically, there has been a lack of NHS services for those with neurological difficulties but last year this was further exacerbated by aftershocks from the Covid pandemic. Pressure on the NHS had never been greater in all areas from general practice to accident and emergency and through to elective procedures. MBH tried to fill this gap for individuals, where appropriate and our interventions have been shown to prevent secondary health issues, reducing the need for NHS intervention from a service already overstretched.

Megan Baker House (MBH) also took its expertise into two schools, on one day each week throughout the academic year, to support children with developmental coordination disorder (aka dyspraxia) and other neurological conditions.

For more than 18 years, MBH was located in a remote corner of north Herefordshire but this made it difficult to service the needs of residents in Worcestershire and the surrounding counties, as well as being increasingly expensive to maintain the building. In August 2020, project REACHOUT saw MBH move to a smaller headquarters in Ledbury and operate from several venues in the surrounding counties, enabling existing and new clients easier access to the services they required. The priority for REACHOUT was to increase the number of children and adults we helped and in this reporting period the total number of primary beneficiaries grew by 28%. Moving to the REACHOUT model did provide many challenges, especially as the CE team worked remotely for much of the week. Investments in communication skills and technology solutions were made and the entire MBH team worked hard to make REACHOUT the success it has become, demonstrated by the significant increase in client numbers.

#### Training

Two members of the CE team are undertaking the work-based degree course, graduating in the next two years and personal professional development has been continuous throughout the year, especially in the area of facilitation. MBH is able to offer staff a wide range of experiences as our clients have a many neurological conditions and range in age from one to eighty-five years.

# MEGAN BAKER HOUSE LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### Looking Outwards

The CEO is a member of a consortium of Heads of conductive education centres from across England and Northern Ireland, which met during the year to share “best practice” on services and management.

Our relationship with The University of Worcester continued and we started discussing placements for student nurses in health and social care settings such as MBH, where there are no registered nurses present. When agreed, it would enable the university to allocate student nurses for full placements. The University would provide the supervisor and assessor and they would visit the student on placement. This is expected to start in 2023.

MBH staff engaged more widely last year with Parkinson's, stroke and multiple sclerosis groups in several counties, by giving invited talks about the charity's expertise and experience with neurological issues.

### Community and Corporate Support

The charity is indebted to many individuals and organisations that have given vital support during the past year, the result of both longstanding and new relationships including:

- Lanyon Bowdler
- Millenium Point
- Bank House Hotel
- Ledbury Rugby Club
- ABE Logistics
- Leominster Golf Club
- Shaw Healthcare Ltd
- Suki's Curries and Spices

Due to the specialist nature of our services, we cannot have volunteers working in the centres, but we do have many volunteers who help with other aspects of the charity's operations.

We have an active board of trustees, who gave their time and expertise freely to the charity, providing sound governance and support.

### Public benefit

The charity is open to all who may benefit, irrespective of age, gender, race or religion. Megan Baker House fills a gap in the provision of statutory services for those with motor disabilities. Through the provision of our specialist services we provide the best possible opportunities for our beneficiaries to gain greater independence and a more optimistic future.

Parents and beneficiaries receive practical advice and other key stakeholders, such as professionals from the health and education sectors, gain from the training, mentoring and work experience opportunities we provide.

# MEGAN BAKER HOUSE LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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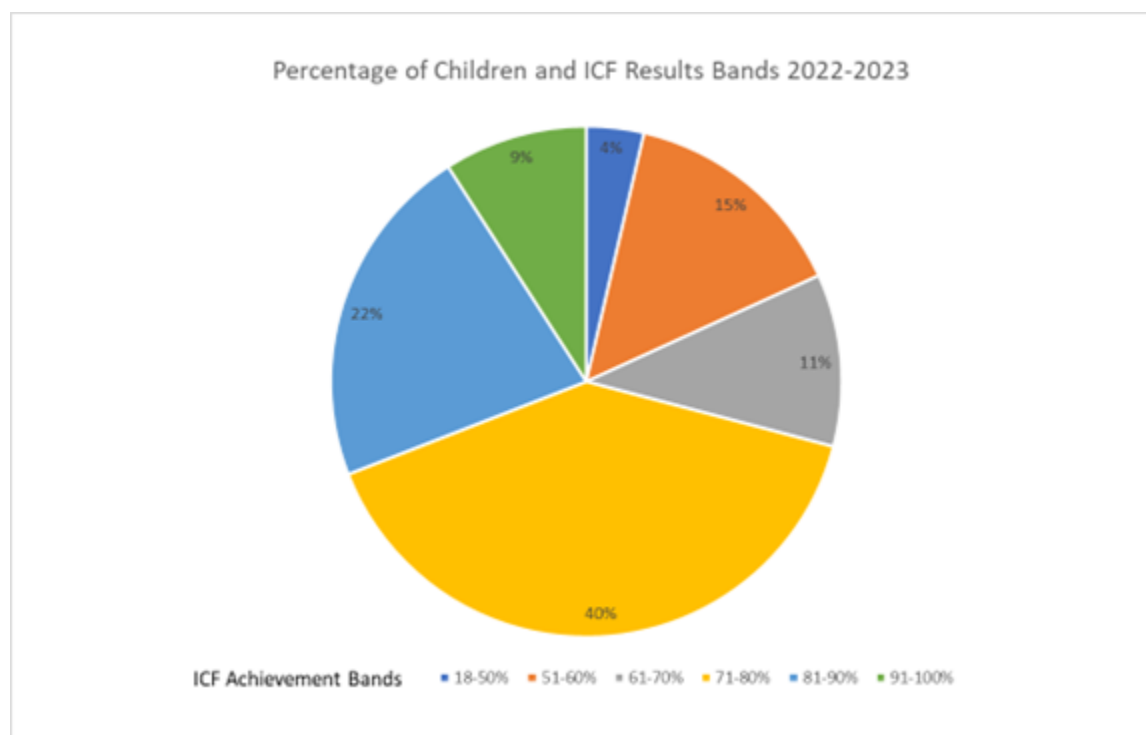
### Achievements and performance

#### Charitable activities

During the period of this report approximately 300 people have benefitted from our services and expertise.

The charity has always been driven to answer the question 'What does success look like?' and during the last year increased efforts have been made to answer this question. MBH has several systems in place to measure client progress and records outcomes on a continuous basis. The charity used a suite of qualitative and quantitative techniques to measure outcomes. Quantitative data were collected and measured during the year by our CE staff and qualitative data resulted from formal feedback from clients and other key stakeholders. The baseline and potential for improvement was determined for each client after a thorough assessment where annual goals were set and task-series planned. The task series is a teaching tool used in CE where tasks are broken down into small achievable steps, designed to teach individuals the skills required to achieve a specific goal. An example of the outcomes attained for children is shown at Figure 1. It shows, for example, that 71% of children achieved between 71% and 100% of their goals.

The results were compiled into annual reports for clients although constant, weekly, dialogue also took place between clients and staff. The organisation also actively sought feedback from clients on its performance, which could be given anonymously, to inform the future design and delivery of services and management of client/MBH relationships. During the last year, electronic forms have been designed to gain feedback from clients/families. The forms are diagnosis/condition specific in an attempt to gather data of the highest value to the charity. The content adds valuable insights from clients on their progress and how MBH is performing in servicing their needs. The feedback is analysed and used to guide improvements in the content and delivery of services.



# MEGAN BAKER HOUSE LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### Examples from client feedback forms:

*"Helped pull me through a really tough time and allowed me to see the good opportunities still ahead."*

*"Going to the exercise classes makes a real difference to my ability to cope with Parkinson's. It is very hard work but worth every minute."*

*"Gives me the confidence and motivation to improve my life."*

*"My husband appreciates how my well-being, both physical and mental, has benefited from regular visits to MBH."*

Examples of responses from parents to the question 'Please list three reasons why you choose MBH as a provision for your child.'

*"Personalised aims with achievable goals. Friendly staff who believe in the children."*

*"Highly recommended by other parents, small group size, friendly, knowledgeable and professional staff."*

*"It provides a safe and caring environment for my child. The staff are well trained and my son has improved no end since attending. Staff are really supportive and it is a great way to meet other parents in a similar position."*

*"Amazing work, achievable goals set for each child, best possible outcomes."*

*"Brilliant staff, child enjoys it, helps him to keep improving in all areas."*

*"Staff are hugely knowledgeable about my daughter's condition and the best way/strategies/exercises to help her to develop. Staff are professional, friendly and approachable, meaning I am able to discuss my daughter's difficulties/concerns or progress at any time, and receive regular detailed feedback."*

*"It's the only local provider, the quality of the service is fantastic, I know others who have used them and been delighted."*

*"Specialist therapy for Dyspraxia."*

*"Greatly reduce potentially long term and detrimental health issues."*

### The charity also received unsolicited comments throughout the year:

*"Last session at MBH. Thank you so much for your help and guidance over the last 4 years. We hope we can pop back to see you all again. Today he walked with help out of the building down the ramp for the very first time and all the way to the car. Superstar!"*

*"MBH also offer a family link facility by means of an online portal where information can be shared both ways, they also link up with her school, offering training and support so they can help too."*

*"Thank you to the team for your passion, support and belief in our daughter's abilities".*

*"Megan Baker is just a magical place. The conductors and assistants have gifted her with life changing skills, both physically and helping her to accept who she is, the difference is phenomenal! I can't express my appreciation; her improvements are more than we could have ever expected! I wouldn't want to think of where she would be without you".*

### Statutory and 'best practice' activities

Even though the charity is relatively small, it is subject to all statutory obligations as with any business that employs people and works with the general public. As such MBH has many policies and procedures in place with Safeguarding and The General Data Protection Regulation (GDPR) being the most active.

MBH trustees are satisfied that MBH operations are commensurate with all legislation relevant to the charity.

'Best-practice' is embedded within the MBH culture and staff share their expertise freely with other key stakeholders for the benefit of our clients and their families. Our expertise and experience sit comfortably in the health and education sectors as we address both the physical and academic needs of beneficiaries, for example, helping children with cerebral palsy to learn new ways to complete everyday tasks and helping children with DCD to learn strategies to help concentration in a school setting.

Continuous professional development is expected of all staff and training days were scheduled in the annual timetable. Classroom assistants were supported to undertake the level three Conductive Assistant course as well as receiving continuous training in-house.

# MEGAN BAKER HOUSE LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### Fundraising activities

The charity has two staff significantly engaged on this activity - Lee, Chief Executive Officer and John, Operations Manager. John focuses on making bids to charitable trusts while Lee concentrates on building support from individuals and businesses. These activities are essential to maintain both the charity's future and ensure that it is embedded in the local and wider community of people who can benefit from what we provide. Four events were held during the year including a golf day at Leominster Golf Club, Mud Run at Eastnor Castle, Indian Evening at Ledbury Rugby Club and the Sparkle Ball at Bransford Hotel. We received approximately;

- £46,312 from donations & legacies (up 21%)
- £99,334 from client payments (up 49%)
- £29,904 from events (up 193%)
- £233,500 from grant-giving bodies (up 55%)

These results are a remarkable achievement and demonstrate the dedication shown by MBH staff, clients and supporters.

### Major Donors

The charity gratefully acknowledges donations from the following charitable trusts and organisations:

- Herefordshire Community Foundation
- The Millichope Foundation
- Lottery Reaching Communities
- Sylvia Adams
- R&D Turner Trust
- The Edward Gostling Foundation
- The Croft Trust
- Western Power
- Souter Charitable Trust
- The Eveson Trust
- Laslett's Charities

### Financial review

The total income achieved in the year was £411,513, which was £145,978 or 55% more than the previous year, and this year's expenditure was £400,160, an increase of £66,954 or 20% on the previous year. Overall, the charity produced a surplus of £11,353 compared with a deficit of £67,671 previously. Income was derived from four main sources: grants, participants fees, donations and events, each contributing 57%, 24%, 11% and 7% respectively.

### Reserves policy

The trustees' agreed policy is to have sufficient reserves to smooth cash flow and deal with any unforeseen costs to the charity. The policy also recognises that it is not appropriate to amass large reserves which could be spent on delivering services to more clients. The target is to maintain reserves equivalent to six months of operational costs. By the end of the financial year MBH held approximately 7 months of operational costs. At 31 March 2023, MBH had funds available of £227,942 of which £5,603 were restricted and the remaining unrestricted.

### Going Concern

The trustees have reviewed the circumstances of Megan Baker House and consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. There are no material uncertainties about the Charity's ability to continue as a going concern.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### Plans for future periods

During 2023-24 the charity will be recruiting additional staff to ensure that all venues and clients are adequately resourced and digital services can continue to develop.



# MEGAN BAKER HOUSE LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### Structure, governance and management

#### Governing document

The charity is controlled by its governing document, the memorandum of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

#### Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr R C J Wileman

Mr T Oakley

Dr D G Gleaves

Ms J A Mears

Mrs L Auger-Small

Mr C Brooks

(Appointed 2 January 2023)

#### Recruitment and appointment of new Trustees

Trustees are aware that to fully meet their responsibilities not only as Trustees but also employers and to ensure compliance with current legislations, a broad skills remit is required. With this in mind, they are always keen to recruit new Trustees who can add value and skills to the current board.

New Trustees can apply to, or be nominated to join the board by, an existing member or an outside organisation. The appointment is formalised by a resolution of the Trustees and formal acceptance of the Trusteeship by the prospective Trustee. This is documented in the board minutes. Trustees are appointed to the board for a period of three years and then either retire or are re-elected during the Annual General Meeting.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

#### Organisational structure

Megan Baker House has a Board of Trustees comprising currently of six members covering a broad spectrum of professional backgrounds, who receive no payments from the charity. Twelve staff undertake the day to day running of the charity, five of whom are part-time. Megan Baker House also has a large number of volunteers providing additional support to fundraising events.

Operational management of the centre and responsibility for the provision of services rests with the chief executive officer.

The operations manager undertakes the supervision of staff and ensures that procedures are in place to enable the team to continue to develop their skills and working practices in line with best practice.

Monthly reports are prepared to monitor income, expenditure and cost of all services provided. Additionally, performance reports are collated relating to service hours, numbers of beneficiaries and their progress.

#### Trustee Meetings and Management Support

The Board of Trustees met every four to six weeks. Other meetings are convened if required to discuss specific subjects, with recommendations being taken to board meetings for approval.

In addition to the formal meetings, trustees meet with individual staff and groups of staff as and when required to provide advice and guidance. Communication between the Chair, chief executive and operations manager takes place at least weekly.

All trustees like to use their skills for the greatest benefit to the charity and the chairman has allocated each with a specific responsibility.

# MEGAN BAKER HOUSE LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2023*

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

Dr R C J Wileman  
**Trustee**

28 September 2023

# MEGAN BAKER HOUSE LTD

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF MEGAN BAKER HOUSE LTD

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I report to the trustees on my examination of the financial statements of Megan Baker House Ltd (the charity) for the year ended 31 March 2023.

#### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 (the 2006 Act). You are satisfied that the financial statements of the charity are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the financial statements 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 financial statements carried out under section 44 (1) (c) of the 2005 Act and section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the charity is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I confirm that I am qualified to undertake the examination because I am a member of ACCA (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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act and Regulation 4 of the 2006 Accounts Regulations; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Mr Kelvin Paul Alexander FCCA  
Hawkins Priday Ltd  
Chartered Certified Accountants  
5 Bridge Street  
Hereford  
HR4 9DF

Dated: 2 October 2023

# MEGAN BAKER HOUSE LTD

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Notes							
<b><u>Income and endowments from:</u></b>							
Donations, legacies and grants	6	279,812	-	279,812	188,730	-	188,730
Participants fees	3	99,334	-	99,334	66,545	-	66,545
Fundraising events	4	29,904	-	29,904	10,209	-	10,209
Investments	5	267	-	267	51	-	51
Other income	7	2,196	-	2,196	-	-	-
<b>Total income</b>		<b>411,513</b>	<b>-</b>	<b>411,513</b>	<b>265,535</b>	<b>-</b>	<b>265,535</b>
<b><u>Expenditure on:</u></b>							
Raising funds	9	76,853	-	76,853	70,273	-	70,273
Charitable activities	8	318,279	5,028	323,307	255,815	7,118	262,933
<b>Total expenditure</b>		<b>395,132</b>	<b>5,028</b>	<b>400,160</b>	<b>326,088</b>	<b>7,118</b>	<b>333,206</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>16,381</b>	<b>(5,028)</b>	<b>11,353</b>	<b>(60,553)</b>	<b>(7,118)</b>	<b>(67,671)</b>
Fund balances at 1 April 2022		205,958	10,631	216,589	266,511	17,749	284,260
<b>Fund balances at 31 March 2023</b>		<b>222,339</b>	<b>5,603</b>	<b>227,942</b>	<b>205,958</b>	<b>10,631</b>	<b>216,589</b>

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

All income and expenditure derive from continuing activities.

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

# MEGAN BAKER HOUSE LTD

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Property, plant and equipment	15		11,082		10,787
<b>Current assets</b>					
Inventories	16	200		200	
Trade and other receivables	17	32,888		37,020	
Cash at bank and in hand		225,580		220,369	
		<u>258,668</u>		<u>257,589</u>	
<b>Current liabilities</b>	18	(41,808)		(51,787)	
Net current assets			216,860		205,802
<b>Total assets less current liabilities</b>			<u>227,942</u>		<u>216,589</u>
<b>Income funds</b>					
Restricted funds	20		5,603		10,631
Unrestricted funds			222,339		205,958
			<u>227,942</u>		<u>216,589</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 28 September 2023

Dr R C J Wileman  
Trustee

Company registration number 06052737

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

##### Charity information

Megan Baker House Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Megan Baker House, Orchard Lane, Ledbury, Herefordshire, HR8 1BY, United Kingdom.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated services and facilities are included at a valuation which is an estimate of the financial cost borne by the donor where such cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

Income from grants and government grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

#### 1.5 Expenditure

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

#### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Plant and equipment	25% straight line
Fixtures and fittings	15%, 25% or 33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised at transaction price.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Taxation

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

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.



# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Participants fees

	Income 2023 £	Income 2022 £
Participants fees	99,334	66,545

### 4 Fundraising events

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising events	29,904	10,209

### 5 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	267	51

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 6 Donations, legacies and grants

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	40,012	36,717
Legacies receivable	1,000	-
Grants	233,500	150,386
Donated services	5,300	1,627
	<u>279,812</u>	<u>188,730</u>

#### Grants

Grants includes a total of £0 (£2,386 in 2022) from government grants in respect of the Coronavirus Job Retention Scheme.

#### Donated services

Donated services relate to professional fees and advertising.

### 7 Other income

	Unrestricted funds	Total
	2023	2022
	£	£
Insurance claim income	<u>2,196</u>	<u>-</u>

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 8 Charitable activities

	Expenditure 2023 £	Expenditure 2022 £
Staff costs	186,508	139,026
Telephone	1,860	1,955
Printing, postage & stationery	1,242	632
Sundries	-	13
Computer running costs	4,192	5,302
Bank charges	267	266
Subscriptions	1,305	1,293
Insurance	7,329	6,487
Materials & resources	1,397	644
Staff training	1,668	1,287
Motor & travelling expenses	9,401	6,982
Refreshments	349	906
Uniforms	726	311
	<u>216,244</u>	<u>165,104</u>
Share of support costs (see note 10)	92,633	88,223
Share of governance costs (see note 10)	14,430	9,606
	<u>323,307</u>	<u>262,933</u>
<b>Analysis by fund</b>		
Unrestricted funds	318,279	255,815
Restricted funds	5,028	7,118
	<u>323,307</u>	<u>262,933</u>

### 9 Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Fundraising and publicity</u>		
Staging fundraising events	9,493	1,745
Advertising, marketing & PR	3,188	3,836
Staff costs	64,172	64,692
	<u>76,853</u>	<u>70,273</u>

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 10 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	63,732	-	63,732	59,424	-	59,424
Depreciation	7,291	-	7,291	9,285	-	9,285
Rent, rates & water	17,952	-	17,952	16,648	-	16,648
Light & heat	1,484	-	1,484	614	-	614
Repairs, upkeep & cleaning	2,174	-	2,174	2,252	-	2,252
Accountancy	-	9,173	9,173	-	8,795	8,795
Legal and professional	-	5,257	5,257	-	811	811
	<u>92,633</u>	<u>14,430</u>	<u>107,063</u>	<u>88,223</u>	<u>9,606</u>	<u>97,829</u>
Analysed between Charitable activities	<u>92,633</u>	<u>14,430</u>	<u>107,063</u>	<u>88,223</u>	<u>9,606</u>	<u>97,829</u>

Governance costs includes payments to the accountants of £1,080 (2022 - £1,020) for independent examination fees.

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

None of the trustees received any expenses from the charity during the year.

### 12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	<u>12</u>	<u>12</u>
<b>Employment costs</b>	<b>2023 £</b>	<b>2022 £</b>
Wages and salaries	285,669	251,387
Social security costs	21,448	5,186
Other pension costs	7,295	6,569
	<u>314,412</u>	<u>263,142</u>

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 12 Employees

(Continued)

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

### 13 Role played by general volunteers

Due to the specialist nature of the services provided by the charity, general volunteers are not used to help deliver those services. However, many volunteers do assist with the organization and running of the fundraising events that take place each year. In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the Accounts.

### 14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 15 Property, plant and equipment

	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2022	12,727	23,223	35,950
Additions	6,437	1,182	7,619
Disposals	-	(100)	(100)
At 31 March 2023	19,164	24,305	43,469
<b>Depreciation and impairment</b>			
At 1 April 2022	12,152	13,010	25,162
Depreciation charged in the year	629	6,662	7,291
Eliminated in respect of disposals	-	(66)	(66)
At 31 March 2023	12,781	19,606	32,387
<b>Carrying amount</b>			
At 31 March 2023	6,383	4,699	11,082
At 31 March 2022	575	10,212	10,787

### 16 Inventories

	2023 £	2022 £
Raw materials and consumables	200	200

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 17 Trade and other receivables

	2023 £	2022 £
Amounts falling due within one year:		
Trade receivables	24,475	29,197
Prepayments and accrued income	8,413	7,823
	<u>32,888</u>	<u>37,020</u>

### 18 Current liabilities

	Notes	2023 £	2022 £
Deferred income	19	25,903	32,683
Trade payables		2,291	3,018
Other payables		12,033	10,303
Accruals		1,581	5,783
		<u>41,808</u>	<u>51,787</u>

### 19 Deferred income

	2023 £	2022 £
Arising from invoices raised in advance for participants fees	25,903	32,683

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	25,903	32,683
Movements in the year:		
Deferred income at 1 April 2022	32,683	16,869
Released from previous periods	(32,683)	(16,869)
Resources deferred in the year	25,903	32,683
Deferred income at 31 March 2023	<u>25,903</u>	<u>32,683</u>

All deferred income is released in the next year.

# MEGAN BAKER HOUSE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 20 Restricted funds

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

	Balance at 1 April 2021	Resources expended	Revaluations, gains and losses	Balance at 1 April 2022	Resources expended	Revaluations, gains and losses	Balance at 31 March 2023
	£	£	£	£	£	£	£
Free Radio Walk For Kids	8,271	-	(2,648)	5,623	-	(536)	5,087
Ledbury Facility Fund	9,478	(4,400)	(70)	5,008	(4,400)	(92)	516
	<u>17,749</u>	<u>(4,400)</u>	<u>(2,718)</u>	<u>10,631</u>	<u>(4,400)</u>	<u>(628)</u>	<u>5,603</u>

#### Free Radio Walk for Kids

The funding received for this in previous periods is restricted to providing equipment for educational purposes.

#### Ledbury Facility Fund

The funding received for this in previous periods is restricted to providing an outreach centre in Ledbury.

### 21 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Property, plant and equipment	5,479	5,603	11,082	10,212	575	10,787
Current assets/(liabilities)	216,860	-	216,860	195,746	10,056	205,802
	<u>222,339</u>	<u>5,603</u>	<u>227,942</u>	<u>205,958</u>	<u>10,631</u>	<u>216,589</u>

### 22 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>97,623</u>	<u>86,343</u>

This remuneration equates to an average hourly rate of £22.97 (an estimated total of 4,250 hours expended in a year).