

PSYCHIATRIC REHABILITATION ASSOCIATION
FINANCIAL STATEMENTS
31 MARCH 2023

Registered Charity Number 227891

EDMUND CARR LLP
Chartered Accountants & Registered Auditors
146 New London Road
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PSYCHIATRIC REHABILITATION ASSOCIATION

YEAR ENDED 31 MARCH 2023

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PSYCHIATRIC REHABILITATION ASSOCIATION

CHARITY INFORMATION

YEAR ENDED 31 MARCH 2023

Chairman	R B McNeill
Trustees	R B McNeill L Dolby, RN, RMN, Dip HE Mental Health D E Mannifield O Shah (Solicitor, England and Wales) S Rushton, LLB (Appointed 1 January 2023) (Appointed 1 June 2023) (Until 6 February 2023)
Director of Operations	Ashwin Mathews, BA (Hons), MBA
Auditors	Edmund Carr LLP 146 New London Road Chelmsford Essex CM2 0AW
Bankers	National Westminster Bank plc PO Box 8030 20 Amhurst Road London E8 1JJ
Investment Managers	Rothschild Asset Management Limited 1 King William Street London, EC4N 7AR BNY Mellon Fund Managers Limited 160 Queen Victoria Street London, EC4V 4DR CCLA Investment Management Limited Senator House 85 Queen Victoria Street London, EC4V 4ET
Charity Number	227891
Principal Address	1A Darnley Road Hackney London E9 6QH

PSYCHIATRIC REHABILITATION ASSOCIATION

THE TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2023

The Trustees have pleasure in presenting their report for the year ended 31 March 2023.

CONSTITUTION

The Psychiatric Rehabilitation Association (PRA) is an unincorporated charity constituted under the Charities Act and a trust deed dated 5th November 1962.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The charity's objectives are to support individuals in recovery and to promote inclusion within communities. The Association also attempts to improve attitudes towards mental ill health and promotes practical measures and research for preventing and combatting mental distress within the community.

There have been no material changes in either the Association's objectives or its policies to try to achieve these during the year under review.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

ORGANISATION

The board of trustees, who meet quarterly, administer the charity. A director of operations has been appointed by the trustees to manage the day to day running of the charity and its related companies.

Any board member may propose the appointment of a new trustee. If the board agrees the prospective trustee is invited for informal discussions with nominated board members and, if appropriate, to attend one or more board meetings. All new trustees are given a copy of the Charity Commission publication CC3 – "The Essential Trustee: What You Need To Know" and confirm that they have read, understood and accept the responsibilities involved. Existing trustees are kept up to date by referring to charity commission updates and relevant publications.

All trustees give their time voluntarily. Details of any benefits and expenses are disclosed in note 15 to the accounts.

RELATED PARTIES

In order to achieve its objectives the Association supports two separately registered charitable organisations.

The Centre for Better Health Limited provides services in partnership with various local authorities and health authorities.

Better Health Products Limited is a social enterprise that provides employment training opportunities for individuals recovering from mental ill health.

Both of these companies are registered charities and are companies limited by guarantee without share capital.

PSYCHIATRIC REHABILITATION ASSOCIATION

THE TRUSTEES' REPORT (continued)

YEAR ENDED 31 MARCH 2023

REVIEW OF DEVELOPMENTS

In the course of the last financial year the trustees of the Association continued to support the work of The Centre for Better Health (CBH). It has been recognised by the trustees that the operating environment for charities remains extremely challenging and that this has been exacerbated by the long term impact of COVID 19, inflationary pressures and a cost of living crises. In order to try and meet the rising demand for mental health support, the Association has committed to part fund the core costs of CBH. As such over the last financial year the Association has awarded a grant of £354,000 to CBH.

INVESTMENT POLICY

The trustees wish to pursue on behalf of the charity an investment policy to achieve capital growth with a medium level of risk over the longer term, thereby enabling the trustees to meet their objectives in respect of the requirement of the charity.

The trustees have delegated the management of the portfolio to Rothschild Asset Management Limited, BNY Mellon Fund Managers Limited and CCLA. The trustees require their investment managers to pay attention to the standard investment criteria, namely the suitability of the class of investment and the need for diversification insofar as appropriate to the circumstances of the charity. Any restrictions on the type of investments or markets in which the manager may invest on the charity's behalf will be given in writing.

There is no specific income target for the investment portfolio.

RESERVES POLICY AND RISK MANAGEMENT

As outlined above, the Association supports a variety of long-term projects alongside The Centre for Better Health Limited and Better Health Products Ltd. The trustees have examined the requirement for free reserves which are those unrestricted funds not invested in fixed assets, unrealised investment gains, designated for a specific purposes or otherwise committed. The free reserves at 31 March 2023 amount to £2,258,477 which the trustees consider are adequate to meet the ongoing commitments of the charity subject to the following.

The trustees have designated the following reserves:-

- 1: £1,500,000 to represent the anticipated extra funding needed by the existing projects run by The Centre for Better Health Limited that the Association is supporting over the next five years.
- 2: £500,000 towards the development of the Darnley Road centre, in particular to cover fundraising and professional fees.
3. A reserve to cover the cost of replacement of the fixed assets based on the replacement cost at 31 March 2023 of £1,279,673 (being the majority of the cost of £1,282,497).

The trustees actively review the major risks that the charity faces on a regular basis and believe that maintaining the free reserves at the level stated above, combined with an annual review of the controls over key financial systems carried out through an internal audit programme, will provide sufficient resources in the event of adverse conditions. The trustees have also established other operational and business risks that PRA faces and confirm they have established systems to mitigate the significant risks.

PSYCHIATRIC REHABILITATION ASSOCIATION

THE TRUSTEES' REPORT (continued)

YEAR ENDED 31 MARCH 2023

FINANCIAL REPORT

The financial statements and notes which follow this report have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The SOFA shows net expenditure for the year before gains and losses on investments of £376,780 (2022: £533,881) for the Association. Net expenditure for the year, including gains and losses on investments, was £539,024 (2021: £210,381).

The year end financial position, reflected by the balance sheet, is considered to be satisfactory.

At 31 March 2023, the Association had total net assets of £5,538,150 of which £Nil related to restricted funds (which can only be used for the specific purpose for which they were created), £3,279,673 related to designated funds (amounts set aside by the trustees to meet future strategic commitments) and £2,258,477 represented unrestricted funds.

The trustees have designated funds that represent the anticipated extra funding needed by the existing projects run by The Centre for Better Health Limited that the Association is supporting over the next five years.

The trustees have in addition designated reserves towards the development of the Darnley Road centre, in particular to cover fundraising and professional fees.

Unrestricted funds will be used in substitution for external funding only as a last resort, because it is essential for PRA to have a firm financial base from which it can expand the range of services it funds.

The trustees will continue to budget on a prudent basis to ensure that PRA maintains a strong financial position to meet the challenges which lie in the years ahead.

PSYCHIATRIC REHABILITATION ASSOCIATION

THE TRUSTEES' REPORT (continued)

YEAR ENDED 31 MARCH 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 principals in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BY ORDER OF THE BOARD

R B McNeill

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R B McNEILL
Trustee

..24 September.. 2023

PSYCHIATRIC REHABILITATION ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of the Psychiatric Rehabilitation Association for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 charity's affairs as at 31 March 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' 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.

PSYCHIATRIC REHABILITATION ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)

YEAR ENDED 31 MARCH 2023

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; 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 Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations for the company, tax legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

PSYCHIATRIC REHABILITATION ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)

YEAR ENDED 31 MARCH 2023

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

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

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

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Tested journal entries to identify unusual transactions.

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

- Agreeing financial statement disclosures to underlying supporting documentation.
- Enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
 - Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
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PSYCHIATRIC REHABILITATION ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)

YEAR ENDED 31 MARCH 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

R Crace FCA

EDMUND CARR LLP
(Statutory Auditor)
Chartered Accountants
& Registered Auditors

146 New London Road
Chelmsford
Essex
CM2 0AW

25 September 2023

Edmund Carr LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

PSYCHIATRIC REHABILITATION ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Total Funds 2023 £	Total Funds 2022 £
Income from			
Donations and legacies		30	30
Investment income	7	49,276	54,913
Total income		<u>49,306</u>	<u>54,943</u>
Expenditure on			
Charitable activities	8	426,086	588,824
Total expenditure		<u>426,086</u>	<u>588,824</u>
Net expenditure before gains and losses on investments		(376,780)	(533,881)
Net (losses)/gains on investments	3	(162,244)	323,500
Net expenditure		<u>(539,024)</u>	<u>(210,381)</u>
Transfer between funds		-	-
Net Movement in Funds		<u>(539,024)</u>	<u>(210,381)</u>
Total funds brought forward at 1st April 2022		6,077,174	6,287,555
Total funds carried forward at 31st March 2023		<u><u>5,538,150</u></u>	<u><u>6,077,174</u></u>

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

All income and expenditure in the current and prior year was unrestricted

PSYCHIATRIC REHABILITATION ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023	2022
		£	£
FIXED ASSETS	2	949,047	974,699
INVESTMENTS	3	<u>4,526,350</u>	<u>5,052,336</u>
		5,475,397	6,027,035
CURRENT ASSETS			
Debtors	4	-	89
Cash at bank and in hand	5	<u>117,507</u>	<u>91,694</u>
		117,507	91,783
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	<u>(54,754)</u>	<u>(41,644)</u>
Net Current Assets		62,753	50,139
NET ASSETS		<u><u>5,538,150</u></u>	<u><u>6,077,174</u></u>
REPRESENTED BY:			
Unrestricted Reserve Funds:			
Development Fund		2,258,477	2,797,501
Designated:	12		
Project Support Fund		1,500,000	1,500,000
Wellness Centre Development Fund		500,000	500,000
Fixed Assets		<u>1,279,673</u>	<u>1,279,673</u>
		3,279,673	3,279,673
ASSOCIATION'S FUNDS		<u><u>5,538,150</u></u>	<u><u>6,077,174</u></u>

Approved on behalf of the Trustees on 24 September 2023.

R B McNeill

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R B McNEILL

PSYCHIATRIC REHABILITATION ASSOCIATION

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

		2023 £	2022 £
Cash flows from operating activities			
Net movement in funds for the financial year		(539,024)	(210,381)
<i>Adjustments for:</i>			
Depreciation of tangible assets	2	25,652	25,652
Net (gain)/loss on investments	3	162,244	(323,500)
Dividends and interest received	7	(49,276)	(54,913)
<i>Changes in:</i>			
Trade and other debtors	4	89	-
Trade and other creditors	6	13,110	(154)
Cash generated from operations		<u>(387,205)</u>	<u>(563,296)</u>
Net cash (used in)/from operating activities		<u><u>(387,205)</u></u>	<u><u>(563,296)</u></u>
Cash flows from investing activities			
Purchase of investments	3	(36,258)	(42,564)
Proceeds from sale of investments		400,000	400,003
Dividends and interest received	7	49,276	54,913
Net cash used in investing activities		<u><u>413,018</u></u>	<u><u>412,352</u></u>
Net increase/(decrease) in cash and cash equivalents		25,813	(150,944)
Cash and cash equivalents at beginning of year		91,694	242,638
Cash and cash equivalents at end of year	5	<u><u>117,507</u></u>	<u><u>91,694</u></u>

PSYCHIATRIC REHABILITATION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1) ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP 2019 (FRS 102)): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Association constitutes a public benefit entity as defined by FRS 102.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern for a period of at least 12 months from the date of approval of these accounts, nor are there any significant areas of uncertainty that affect the carrying value of assets held by the charity.

c) Taxation

As the Association is a registered charity, it is exempt from taxation other than VAT, which is included in the relevant costs in the Statement of Financial Activities.

d) Fixed assets

Freehold properties are shown in the financial statements at their deemed cost, which is the value as at the last revaluation before the date of transition to FRS 102.

Depreciation has been charged on freehold building at a rate of 2% straight line per annum on cost. Due to the difficulty in quantifying the buildings element of the values at which the various properties are shown in the financial statements, depreciation has been charged on the entire value, as the trustees consider this represents the most prudent method of including a depreciation charge on freehold buildings.

Other fixed assets are shown in the financial statements at cost less aggregate depreciation. Depreciation is provided at the rate of 25% per annum over the estimated useful life of the asset.

e) Investments

Investments are included at market value. When investments are sold, any surplus or deficit on disposal is credited or charged to the Statement of Financial Activities.

f) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

PSYCHIATRIC REHABILITATION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

g) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

h) Income

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable.

Interest receivable is included when received by the charity.

i) Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis.

j) Fund accounting

Funds held by the charity are either:

Unrestricted general funds – these are funds that can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds – funds that are set aside by the trustees for specific future purposes or projects.

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

k) Pension costs

The charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

l) 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.

PSYCHIATRIC REHABILITATION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

2) FIXED ASSETS	Freehold Land and buildings £	Total £
Cost		
At 1 April 2022 & 31 March 2023	<u>1,282,497</u>	<u>1,282,497</u>
Depreciation		
At 1 April 2022	307,798	307,798
Charge	25,652	25,652
At 31 March 2023	<u>333,450</u>	<u>333,450</u>
Net Book Value		
At 31 March 2023	<u>949,047</u>	<u>949,047</u>
At 31 March 2022	<u>974,699</u>	<u>974,699</u>
The historical cost of Freehold Land and Buildings was £501,217. The deemed cost upon transition to FRS 102 was the valuation of £1,280,000 plus capitalised improvements.		
3) INVESTMENTS	2023 £	2022 £
Quoted:		
Market value at 1st April 2022	5,052,336	5,086,275
Additions	36,258	42,564
Disposals at cost	(260,097)	(249,327)
Net unrealised investment gains/(losses)	<u>(302,148)</u>	<u>172,825</u>
Market value at 31st March 2023	<u>4,526,350</u>	<u>5,052,336</u>
Historical cost	<u>2,709,722</u>	<u>2,933,560</u>
4) DEBTORS	2023 £	2022 £
Related undertakings	-	89
	<u>-</u>	<u>89</u>
5) CASH AND CASH EQUIVALENTS	2023 £	2022 £
Cash and cash equivalents comprise the following:		
Cash at bank and in hand	<u>117,507</u>	<u>91,694</u>

PSYCHIATRIC REHABILITATION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

6) CREDITORS	2023	2022
	£	£
Accruals and deferred income	7,362	6,706
Related undertakings	47,392	34,938
	<u>54,754</u>	<u>41,644</u>

7) INVESTMENT INCOME	2023	2022
	£	£
Listed investments	36,258	42,564
Interest received on cash deposits	13,018	12,349
	<u>49,276</u>	<u>54,913</u>

8) CHARITABLE ACTIVITIES	Group work centre	Total 2023	Total 2022
	£	£	£
Grants payable (note 10)	354,000	354,000	324,000
Salaries	12,422	12,422	12,435
Pension contributions	10,800	10,800	10,800
Training and CPD	3,450	3,450	-
Building repairs	10,711	10,711	206,889
Bank charges	6	6	6
General expenses	831	831	354
Support costs (note 9)	25,652	25,652	25,652
Governance costs (note 11)	8,214	8,214	8,688
	<u>426,086</u>	<u>426,086</u>	<u>588,824</u>

The total employee benefits of the key management personnel were £23,222 (2022: £23,235).

The average number of employees by headcount was 1 (2022: 1).

9) SUPPORT COSTS	Group work centre	Total 2023	Total 2022
	£	£	£
Depreciation	25,652	25,652	25,652
	<u>25,652</u>	<u>25,652</u>	<u>25,652</u>

10) GRANT-MAKING

Analysis of grants

Below are the details of grants made to institutions:

	2023	2022
	£	£
The Centre for Better Health Limited	<u>354,000</u>	<u>324,000</u>

PSYCHIATRIC REHABILITATION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

11) GOVERNANCE COSTS	2023	2022
	£	£
Audit fees	3,000	2,844
Accountancy and other fees	5,214	5,844
	<u>8,214</u>	<u>8,688</u>

12) DESIGNATED FUNDS

Current year:	Balance at 1st April 2022 £	Movement in resources:		Balance at 31st March 2023 £
		Transfer in £	Outgoing £	
Project Support Fund	1,500,000	354,000	354,000	1,500,000
Wellness Centre Development	500,000	-	-	500,000
Fixed Assets	1,279,673	-	-	1,279,673
	<u>3,279,673</u>	<u>354,000</u>	<u>354,000</u>	<u>3,279,673</u>

Prior year:	Balance at 1st April 2021 £	Movement in resources:		Balance at 31st March 2022 £
		Transfer in £	Outgoing £	
Project Support Fund	1,500,000	324,000	324,000	1,500,000
Wellness Centre Development	500,000	-	-	500,000
Fixed Assets	1,279,673	-	-	1,279,673
	<u>3,279,673</u>	<u>324,000</u>	<u>324,000</u>	<u>3,279,673</u>

A designation of £1,500,000 has been made to cover the current anticipated shortfall in funding of existing projects the charity is supporting in the next five years and £354,000 has been taken from this fund to cover the grants made to The Centre For Better Health Limited in the year. The trustees consider it appropriate to maintain the overall level of the Project Support Fund at £1,500,000 and so a new designation of an equivalent amount of £354,000 has been made. £500,000 was set aside towards the development of a 'Wellness' Centre, being the estimated costs of fundraising and professional fees in order for this project to be progressed. The fixed asset fund is to cover the estimated cost of replacement of fixed assets.

PSYCHIATRIC REHABILITATION ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2023

13) ANALYSIS OF NET ASSETS

Current year:	Fixed Assets	Investments	Other	Total
	£	£	£	£
Designated funds	949,047	2,330,626	-	3,279,673
Unrestricted funds	-	2,195,724	62,753	2,258,477
	<u>949,047</u>	<u>4,526,350</u>	<u>62,753</u>	<u>5,538,150</u>
Prior year:	Fixed Assets	Investments	Other	Total
	£	£	£	£
Designated funds	974,699	2,304,974	-	3,279,673
Unrestricted funds	-	2,747,362	50,139	2,797,501
	<u>974,699</u>	<u>5,052,336</u>	<u>50,139</u>	<u>6,077,174</u>

14) TRUSTEES

No Trustees received remuneration in either the current or prior year. No Trustees were reimbursed for expenses incurred in either the current or prior year.

15) RELATED PARTY TRANSACTIONS

There is no ultimate controlling party.

The trustees are also the directors of The Centre for Better Health Limited and Better Health Products Limited, which are the two independently registered charitable companies the Association supports to achieve its objectives.

The amounts due from related undertakings as detailed in note 4 are as follows:-

	2023	2022
	£	£
Better Health Products Limited	<u>-</u>	<u>89</u>

The amounts due to related undertakings as detailed in note 6 are as follows:-

	2023	2022
	£	£
The Centre for Better Health Limited	<u>47,392</u>	<u>34,938</u>

During the year, £354,000 (2022: £324,000) was granted to The Centre for Better Health Limited.

PSYCHIATRIC REHABILITATION ASSOCIATION

INCOME AND EXPENDITURE ACCOUNT - DEVELOPMENT FUND

FOR THE YEAR ENDED 31 MARCH 2023

	2023		2022	
	£	£	£	£
INCOME				
Investment income		49,276		54,913
Donations, covenants, sundry grants		30		30
		<u>49,306</u>		<u>54,943</u>
EXPENDITURE				
Salaries	12,422		12,435	
Pension contributions	10,800		10,800	
Training and CPD	3,450		-	
Building repairs	10,711		206,889	
Bank charges	6		6	
Audit and accountancy	8,214		8,688	
Depreciation	25,652		25,652	
General Expenses	831		354	
Grant to The Centre for Better Health	<u>354,000</u>		<u>324,000</u>	
		<u>426,086</u>		<u>588,824</u>
DEFICIT FOR THE YEAR		(376,780)		(533,881)
Realised gains on investments		139,904		150,675
Unrealised gains on investments		(302,148)		172,825
Transfer from Project Support Fund		354,000		324,000
New designations		(354,000)		(324,000)
Balance brought forward		2,797,501		3,007,882
BALANCE CARRIED FORWARD		<u><u>2,258,477</u></u>		<u><u>2,797,501</u></u>