

Charity Registration No. 290122

Company Registration No. 01836964 (England and Wales)

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Members Of Council	Peter Deadman Robin Bines Caroline Townsend-Coles Ivanka Majic Harvey Rowena Price Helen Brewer Georgina Collins Dr Christine Macfie	(Appointed 24 June 2020) (Appointed 24 June 2020) (Appointed 24 June 2020)
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Secretary	Danielle Scott
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Charity number	290122
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Company number	01836964
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Principal address	The Brighton Centre for Natural Health Limited 27 Regent Street Brighton East Sussex BN1 1UL
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Registered office	The Brighton Centre for Natural Health Limited 27 Regent Street Brighton East Sussex BN1 1UL
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Accountants	Friend-James Limited 4th Floor, Park Gate 161-163 Preston Road Brighton East Sussex BN1 6AF
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Bankers	Co-op Bank 164-165 Western Road Brighton East Sussex BN1 2BB
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THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

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THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Members of Council present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "The Charities Act" issued in 2011.

Objectives and activities

The Charitable company's objects are the promotion and advance of education of the public in the field of health care, nutrition and related subjects and there has been no change in these during the year.

The Members of Council have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charitable company should undertake.

The Charitable company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Charitable company continues and that the appropriate training is arranged. It is the policy of the Charitable company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

THE COUNCIL'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance Financial review

The charity has had a very difficult year due to the Covid pandemic. The premises have been closed for several long periods since the first lockdown in March and classes have moved online via Zoom, with teachers and staff working from home. When the premises have been allowed to be open, some hybrid live/Zoom classes have taken place but with restricted numbers due to social distancing requirements.

The staff and trustees have worked very hard to set up the new systems quickly and to respond to the changing requirements, and many students have embraced the different types of classes too. But overall, the numbers of classes have roughly halved, attendance has been generally reduced, and initially classes were run on a pay-what-you-can basis to help out during the pandemic. Class fees were returned to normal levels later in the year.

All this has meant that class income since the first closure in March has been on average below half the normal level, resulting in a 39.4% decrease in class income for the year. Teacher fees reduced by 34.4%, class expenses by 28.1% and overheads by 3.6%, largely as a result of reduced staff costs.

However, the government provided Covid grants, business rates relief and furloughed staff refunds of a total of £37k in the year. In addition, an online fundraising drive raised nearly £6k, so in total we received nearly £43k of one-off income in 2020, without which the charity would not have survived.

The overall result is a deficit of just £4,459 for the year, following a surplus of £2,285 in 2019.

The prospects for 2021 are difficult to assess due to the Covid crisis. The premises are closed until mid-May at the earliest, the resulting online classes are still half the number pre-Covid, and income from these classes continues to be at less than half the previous levels. There are now some prospects that life will return to something more normal in the summer but it is unknown as to how students will react to returning to live classes and in what numbers.

Teacher fees are now stable again, we have made one redundancy, the remaining staff are furloughed for around 50% of their time, and we have reduced other costs where possible. As a result, monthly deficit is now reduced to £1-1.5k, a significant decrease from 2020.

However, we have received a further £9.2k of government Covid grants in January and are expecting another £12k in April as a result of the budget. 100% rate relief is still available until the summer and furlough is continuing until September.

As at 31 December 2020, the charity held reserves of £40,901 but, as result of this substantial government help, it is expected that by mid-year 2021 our reserves will have increased to around £50k, providing a more solid base for the future. The charity is now undergoing a full review of its activities and expects to make changes to its operations to ensure a financially stable future while continuing to deliver on its objectives.

It is the policy of the charity that these unrestricted reserve funds, which have not been designated for a specific use, should be maintained at a level equivalent to between three and six month's expenditure.

Members of Council consider that reserves at this level would ensure that, in the event of a significant drop in funding, they would be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

The Covid crisis has provided a clear example of this kind of event and demonstrated the charity's management of the situation. We consider the current level of reserves would meet the test of three to six month's expenditure.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

THE COUNCIL'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

Grant income and expenditure

The charity runs an outreach programme including its Brighton Wellbeing project offering natural health classes to disadvantaged groups, and low-cost community classes and a series of community talks. This programme has been severely restricted since March due to Covid, but a number of free and donation-only classes were run to provide wellness classes to people during lockdowns.

No specific grants were received in the year but income from all sources for the outreach programme, including donations, fees and amounts carried forward from 2019 was £5,316, and expenditure on the provision of these activities including teacher fees and other expenses was £1,140, leaving a balance of £4,176 carried forward into 2021 to continue the programme.

During the Covid crisis the charity is still providing a reduced level of activity in its outreach activities, but it is hoped to increase this level during the remainder of 2021.

Recruitment and appointment of new council members

Once the charity identifies the need for a new Council member, the current members of the Council agree what skills, experience and knowledge are required, and create a job specification. The position is advertised and a short-list of candidates is then interviewed by a delegated sub-group of Council members and staff, with the final selection being made by the members of the Council. The position is offered to the selected candidate subject to vetting and, once accepted, checks are made to ensure they are not disqualified from acting as a Council member and whether there are any conflicts of interest, and this is confirmed in writing. Where appropriate, checks are also made with the Disclosure and Barring Service or other relevant organisations. Once confirmed, new Council members receive a letter setting out their duties and the charity's expectations, which they sign and return, and an induction process is then arranged. Formal notifications are then made to the relevant authorities and the charity's accountants and bankers.

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.

Structure, governance and management

The charitable company is a company limited by guarantee.

The Members of Council, who are also the directors for the purpose of company law, who served during the year were:

Peter Deadman
Robin Bines
Caroline Townsend-Coles
Ivanka Majic Harvey
Rowena Price
Helen Brewer
Georgina Collins
Dr Christine Macfie

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

THE COUNCIL'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of the Council's responsibilities

The Members of Council, who are also the directors of The Brighton Centre for Natural Health Limited for the purpose of company law, are responsible for preparing the The Council's 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 Members of Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Members of Council are required to:

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

The Members of Council are responsible for keeping adequate accounting records that 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 Council's report was approved by the Board of Members Of Council.

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Robin Bines
Member of Council
Dated:

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations	3	40,452	-
Charitable activities		137,227	225,922
Investments	4	77	54
Total income		177,756	225,976
<u>Expenditure on:</u>			
Charitable activities	5	182,215	223,691
Net (expenditure)/income for the year/ Net movement in funds		(4,459)	2,285
Fund balances at 1 January 2020		45,360	43,075
Fund balances at 31 December 2020		40,901	45,360

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

All income and expenditure derive from continuing activities.

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

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	8		1,675		1,450
Tangible assets	9		2,540		3,798
			<u>4,215</u>		<u>5,248</u>
Current assets					
Stocks	10	832		595	
Debtors	11	9,155		4,518	
Cash at bank and in hand		48,552		52,187	
		<u>58,539</u>		<u>57,300</u>	
Creditors: amounts falling due within one year	12	(11,085)		(4,976)	
Net current assets			47,454		52,324
Total assets less current liabilities			51,669		57,572
Deferred income	13		(10,768)		(12,212)
Income funds					
Unrestricted funds			40,901		45,360
			<u>40,901</u>		<u>45,360</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 December 2020.

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

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 in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Members Of Council on

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 Robin Bines
 Trustee
 Company Registration No. 01836964

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Brighton Centre for Natural Health Limited is a charitable company limited by guarantee.

1.1 Accounting convention

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

The Charitable company 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 Charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the accounts, the Members of Council have a reasonable expectation that the Charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the council continues to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

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

1.4 Incoming resources

Income is recognised when the Charitable company 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 Charitable company has been notified of the donation, unless performance conditions require deferral of the amount.

Legacies are recognised on receipt or otherwise if the Charitable company 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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Amortisation 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:

Software	Straight line over three years
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1.6 Tangible fixed assets

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

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

Computer equipment	Straight line over 3 years.
Leasehold improvements	Straight line over 4 years.
Fixtures, fittings & equipment	25% Reducing balance

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 net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charitable company reviews the carrying amounts of its tangible and intangible 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 Stocks

Stocks 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 stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured 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.

1.10 Financial instruments

The Charitable company 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 Charitable company's balance sheet when the Charitable company 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.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. 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 creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.11 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 Charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the Charitable company's accounting policies, the Members of Council 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.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations

	Unrestricted funds	Total
	2020 £	2019 £
Donations and gifts	5,988	-
Government grants	34,464	-
	<u>40,452</u>	<u>-</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Interest receivable	<u>77</u>	<u>54</u>

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	Charitable Expenditure Direct Costs	Charitable Expenditure Overheads	Total 2020	Total 2019
	£	£	£	£
Staff costs	-	58,488	58,488	63,145
Depreciation and impairment	-	2,857	2,857	2,486
Direct costs	67,789	-	67,789	108,269
Insurance	-	1,407	1,407	1,818
Light & heat	-	1,431	1,431	1,554
Repairs & maintenance	-	5,278	5,278	1,336
Telephone, fax & internet	-	1,013	1,013	1,011
Travel & subsistence	-	88	88	956
Consultancy	-	1,470	1,470	1,436
Cleaning	-	4,584	4,584	3,098
Postage, printing, stationary & advertising	385	5,399	5,784	8,221
I.T. Costs	-	4,546	4,546	3,646
Sundry	-	1,616	1,616	871
Bank charges	-	4,029	4,029	1,836
Rent & rates	-	18,318	18,318	21,046
Bookkeeping	-	2,617	2,617	2,022
Accountancy	-	900	900	930
Charitable donations	-	-	-	10
	68,174	114,041	182,215	223,691
	68,174	114,041	182,215	223,691
Analysis by fund				
Unrestricted funds	68,174	114,041	182,215	
	68,174	114,041	182,215	
For the year ended 31 December 2019				
Unrestricted funds	111,728	111,963		223,691
	111,728	111,963		223,691

6 Members Of Council

None of the Members of Council (or any persons connected with them) received any remuneration during the year.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Employees

The average monthly number employees during the year was:

	2020 Number	2019 Number
	4	4
	<u>4</u>	<u>4</u>
Employment costs	2020	2019
	£	£
Wages and salaries	57,546	61,959
Other pension costs	942	1,186
	<u>58,488</u>	<u>63,145</u>

There were no employees who received benefits of more than £60,000 in the year.

8 Intangible fixed assets

	Software £
Cost	
At 1 January 2020	2,175
Additions - separately acquired	1,425
	<u>3,600</u>
At 31 December 2020	
Amortisation and impairment	
At 1 January 2020	725
Amortisation charged for the year	1,200
	<u>1,925</u>
At 31 December 2020	
Carrying amount	
At 31 December 2020	1,675
	<u>1,675</u>
At 31 December 2019	1,450
	<u>1,450</u>

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Tangible fixed assets

	Computer equipment	Leasehold improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2020	22,816	-	35,296	58,112
Additions	399	2,317	-	2,716
	<u>23,215</u>	<u>2,317</u>	<u>35,296</u>	<u>60,828</u>
At 31 December 2020	23,215	2,317	35,296	60,828
Depreciation and impairment				
At 1 January 2020	22,004	579	34,048	56,631
Depreciation charged in the year	766	579	312	1,657
	<u>22,770</u>	<u>1,158</u>	<u>34,360</u>	<u>58,288</u>
At 31 December 2020	22,770	1,158	34,360	58,288
Carrying amount				
At 31 December 2020	445	1,159	936	2,540
	<u>812</u>	<u>1,738</u>	<u>1,248</u>	<u>3,798</u>
At 31 December 2019	812	1,738	1,248	3,798

10 Stocks

	2020 £	2019 £
Raw materials and consumables	832	595

11 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,221	2,647
Other debtors	7,218	-
Prepayments and accrued income	716	1,871
	<u>9,155</u>	<u>4,518</u>

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	761	1,318
Trade creditors	1,399	1,642
Accruals and deferred income	8,925	2,016
	<u>11,085</u>	<u>4,976</u>

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Deferred income

	2020 £	2019 £
Other deferred income	10,768	12,212

Deferred Income is income received for classes in 2020 where the class is not taken until 2021.

14 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £942 (2019 - £1,186).

15 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).