

Charity registration number 290122

Company registration number 01836964 (England and Wales)

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Members Of Council	Peter Deadman Robin Bines Caroline Townsend-Coles Georgina Collins Dr Christine Macfie
Secretary	Robin Bines
Charlty number	290122
Company number	01836964
Principal address	The Brighton Centre for Natural Health Limited 27 Regent Street Brighton East Sussex BN1 1UL
Registered office	The Brighton Centre for Natural Health Limited 27 Regent Street Brighton East Sussex BN1 1UL
Accountants	Friend-James Limited 4th Floor, Park Gate 161-163 Preston Road Brighton East Sussex BN1 6AF
Bankers	Co-op Bank 164-165 Western Road Brighton East Sussex BN1 2BB

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 2021*

The Members of Council present their annual report and financial statements for the year ended 31 December 2021.

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 2021

Achievements and performance

Financial review

The charity has had another very difficult year due to the Covid pandemic and the resulting disruption to the sector. The premises were closed for four and a half months at the beginning of the year due to Covid 19 restrictions, running only a smaller number of our classes online.

Since reopening in May 2021, numbers have been significantly lower than pre-pandemic, which we attribute particularly to the rise of a multitude of online classes, often free, and many people working from home, so not attending classes.

The staff and trustees have worked very hard to adapt to the changing situation, but overall, attendance and income has not increased significantly and by the year-end had only grown back to around 60% of pre-pandemic levels.

Overall class income was down 13.4% on 2020 and was only around half the level pre-pandemic, while teacher fees continued to represent roughly half of class income. Overheads were only down 6% representing the high level of fixed costs that the charity incurs.

However, we received a further £34.8k of government support during the year including direct Covid grants and furlough support (£34.5k - 2020), without which the charity would not have survived.

The overall result is a deficit of just £14,601 for the year, following a deficit of £5,547 in 2020.

The prospects for 2022 are difficult to assess due to the fallout from the Covid crisis, and now the potential impact of the cost-of-living crisis. We are still not seeing a significant increase in numbers but are attempting to trim costs where possible. The charity is still running at a deficit in most months but we are developing a strategy to create a sustainable financial situation, including a fundraising appeal.

As at 31st December 2021, the charity held reserves of £26,300 (£40,901 - 2020) and this will have reduced further by the date of this report. 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 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. While at the year end it was at the low end of this range, and is lower now, our strategy will include the need to restore this level towards the upper part of the range over the next few years.

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. The trustees are currently meeting on a monthly basis to monitor the situation and consider that the current level of reserves, while below our normal target level, are sufficient to continue while we consider ways to raise additional funds.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

THE COUNCIL'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

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 reduced during Covid, but a number of free and donation-only classes were run to provide wellness classes to people during the lockdown period and since reopening.

No specific grants were received in the year but we have made applications for a number of outreach projects, and on the basis of responses to date, we expect to receive around £15k of grants from funding organisations in 2022 which will significantly extend the scope and reach of the overall outreach project in 2022/2023.

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 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 2021

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.



Robin Bines

Member of Council

Dated:

01 September 2022

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations	3	35,501	40,452
Charitable activities		120,698	137,227
Investments	4	5	77
Total income		<u>156,204</u>	<u>177,756</u>
<u>Expenditure on:</u>			
Charitable activities	5	<u>170,805</u>	<u>182,215</u>
Net expenditure for the year/ Net movement in funds		(14,601)	(4,459)
Fund balances at 1 January 2021		<u>40,901</u>	<u>45,360</u>
Fund balances at 31 December 2021		<u><u>26,300</u></u>	<u><u>40,901</u></u>

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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	8		475		1,675
Tangible assets	9		1,547		2,540
			<u>2,022</u>		<u>4,215</u>
Current assets					
Stocks	10	680		832	
Debtors	11	3,052		9,155	
Cash at bank and in hand		38,224		48,552	
		<u>41,956</u>		<u>58,539</u>	
Creditors: amounts falling due within one year	12	<u>(8,070)</u>		<u>(11,085)</u>	
Net current assets			33,886		47,454
Total assets less current liabilities			<u>35,908</u>		<u>51,669</u>
Deferred income	14		<u>(9,608)</u>		<u>(10,768)</u>
Income funds					
Unrestricted funds			26,300		40,901
			<u>26,300</u>		<u>40,901</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 2021.

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 08 August 2022



Robin Bines

Trustee

Company Registration No. 01836964

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

1 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.

2 Accounting policies

Charity information

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

2.1 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.

2.2 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.

2.3 Charitable funds

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

2.4 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.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Accounting policies

(Continued)

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.

2.5 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.

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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2.6 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 the statement of financial activities.

2.7 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).

2.8 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.

2.9 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.

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Accounting policies

(Continued)

2.10 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.

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.

2.11 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.

2.12 Retirement benefits

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

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Donations and gifts	685	5,988
Government grants	34,816	34,464
	<u>35,501</u>	<u>40,452</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	<u>5</u>	<u>77</u>

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Charitable activities

	Charitable Expenditure Direct Costs	Charitable Expenditure Overheads	Total 2021	Total 2020
	£	£	£	£
Staff costs	-	54,874	54,874	58,488
Depreciation and impairment	-	2,193	2,193	2,857
Direct costs	56,225	-	56,225	67,789
Insurance	-	1,505	1,505	1,407
Light & heat	-	1,602	1,602	1,431
Repairs & maintenance	-	1,168	1,168	5,278
Telephone, fax & internet	-	923	923	1,013
Travel & subsistence	-	196	196	88
Consultancy	-	440	440	1,470
Cleaning	-	5,633	5,633	4,584
Postage, printing, stationary & advertising	380	12,623	13,003	5,784
I.T. Costs	-	4,929	4,929	4,546
Sundry	-	2,292	2,292	1,616
Bank charges	-	3,733	3,733	4,029
Rent & rates	-	17,846	17,846	18,318
Bookkeeping	-	3,210	3,210	2,617
Accountancy	-	900	900	900
Charitable donations	-	133	133	-
	<u>56,605</u>	<u>114,200</u>	<u>170,805</u>	<u>182,215</u>
	<u>56,605</u>	<u>114,200</u>	<u>170,805</u>	<u>182,215</u>
Analysis by fund				
Unrestricted funds	<u>56,605</u>	<u>114,200</u>	<u>170,805</u>	
	<u>56,605</u>	<u>114,200</u>	<u>170,805</u>	
For the year ended 31 December 2020				
Unrestricted funds	<u>68,174</u>	<u>114,041</u>		<u>182,215</u>
	<u>68,174</u>	<u>114,041</u>		<u>182,215</u>

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 2021

7 Employees

The average monthly number employees during the year was:

	2021 Number	2020 Number
	4	4
	<u>4</u>	<u>4</u>
Employment costs	2021	2020
	£	£
Wages and salaries	54,101	57,546
Other pension costs	773	942
	<u>54,874</u>	<u>58,488</u>

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

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

8 Intangible fixed assets

	Software £
Cost	
At 1 January 2021 and 31 December 2021	3,600
	<u>3,600</u>
Amortisation and impairment	
At 1 January 2021	1,925
Amortisation charged for the year	1,200
	<u>3,125</u>
At 31 December 2021	3,125
	<u>3,125</u>
Carrying amount	
At 31 December 2021	475
	<u>475</u>
At 31 December 2020	1,675
	<u>1,675</u>

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Tangible fixed assets

	Computer equipment	Leasehold improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2021	23,215	-	35,296	58,511
Additions	-	2,317	-	2,317
At 31 December 2021	23,215	2,317	35,296	60,828
Depreciation and impairment				
At 1 January 2021	22,770	1,159	34,360	58,289
Depreciation charged in the year	179	579	234	992
At 31 December 2021	22,949	1,738	34,594	59,281
Carrying amount				
At 31 December 2021	266	579	702	1,547
At 31 December 2020	445	1,159	936	2,540

10 Stocks

	2021 £	2020 £
Raw materials and consumables	680	832

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	934	1,221
Other debtors	-	7,218
Prepayments and accrued income	2,118	716
	3,052	9,155

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	57	761
Trade creditors	2,289	1,399
Accruals and deferred income	5,724	8,925
	8,070	11,085

THE BRIGHTON CENTRE FOR NATURAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 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 £773 (2020 - £942).

14 Deferred income

	2021 £	2020 £
Other deferred income	9,608	10,768

Deferred income is income received for classes in 2021 where the class is not taken until 2022.

15 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).