

Charity registration number 299524

Company registration number 02215165 (England and Wales)

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R Greener Mr M Boscher Mr R Levene
Secretary	Mr R Levene
Charity number	299524
Company number	02215165
Principal address	30 Campus Five Letchworth Garden City Hertfordshire SG6 2JF
Registered office	30 Campus Five Letchworth Garden City Hertfordshire SG6 2JF
Independent examiner	John Wilson FCA ATII Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
Bankers	Barclays Bank plc Leicester LE87 2BB CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

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HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and financial statements for the year ended 31 December 2021.

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 charitable company's Memorandum and Articles of Association, 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)".

Objectives and activities

Charitable objects

The objects of the charitable company are:

To aid and improve for the public benefit in the Area of Benefit (which is England) the condition of those suffering from Multiple Sclerosis by any lawful means including any of the following:

- (a) By bringing together persons suffering from multiple sclerosis and persons interested in Multiple Sclerosis;
- (b) By providing advice, guidance and moral and practical support for persons suffering from Multiple Sclerosis;
- (c) By providing therapy (including hyperbaric oxygen therapy) for persons suffering from Multiple Sclerosis or other symptoms or conditions.

Aims of charity

To provide the most effective therapies possible for every person affected by Multiple Sclerosis in Hertfordshire and parts of surrounding counties, especially South Bedfordshire and Luton.

Our objectives for the year were:

To balance the budget, improve our sustainability and increase our reserves, as part of a process that will take a number of years to complete.

To improve the quality of our Oxygen Therapy Programme.

To complete a full review of all activities, including more effective use of the building at Campus Five.

Complete an annual update of the Business Plan.

To continue marketing to expand take up of Oxygen Therapy for clients with and without Multiple Sclerosis in order to generate more income, including funds to subsidise treatments for people in financial need.

To improve our fundraising.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Strategies for achieving objectives

In order to improve our finances, the biggest impact is from cutting costs and marketing our services to more potential customers. We identified savings were possible by focusing on delivering Oxygen Therapy alone and inviting other businesses to offer other therapies in our centre, such as Physiotherapy. We are using marketing to expand take up of Oxygen Therapy for people with other conditions, including cancer, ME, Chronic Fatigue Syndrome and Fibromyalgia. Our marketing is in social media and local newspapers or magazines. We combine free stories with some paid advertising and regularly offering one-off sessions so people can find out what Oxygen Therapy is like.

Statement on compliance with Charity Commission guidance on public benefit

The Trustees have paid due regard to the public benefit guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Introduction to activities

The main activity is Oxygen Therapy, delivered by our in-house trained Operators.

Use of volunteers

We benefit enormously from the time and skill donated by our 12 volunteers fulfilling 14 volunteer roles. We simply could not provide what we do without their commitment and generosity. Volunteers play a leading role in the provision of Oxygen Therapy. Highly experienced volunteers regularly work in admin, IT, finance, fundraising and reception, complementing our small core of paid staff.

How we measure success

We meet annually with all paid staff and the Board of Trustees to review the numbers of people being treated and identify opportunities to expand this. We also review quality through our Quality Assurance self-assessment process and through interviews and questionnaires with the clients themselves.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

Charitable achievements

In 2020 the Covid Pandemic affected us dramatically for the last 9 months of the calendar year. We provided 2,455 sessions of Oxygen Therapy for 2020. In 2021 numbers remain low, we provided 2,402 sessions of Oxygen Therapy. However, by end of 2021 a recovery in numbers being treated is being seen. These 2,402 are the people listed as having "Completed" a session, in the Timely Appointments system for that year (excluding the Operators).

We continue to rent much of the first floor to the North Hertfordshire Centre for Voluntary Service.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Fundraising achievements

We pay tribute to the many individuals, groups, charitable trusts and companies who support us because that support is vital for all we do.

Investment performance

Our cash reserves are the only form of investment we have. We continue to earn very low rates of interest on this. We have no other forms of investment. However, we do benefit from owning our building freehold.

Financial review

Our purpose remains the welfare of any and all people affected by MS in Hertfordshire and surrounding areas.

We want to deliver the most effective therapies possible, in the most affordable way.

We remain asset rich, because of the freehold building we own. In 2021 we had a surplus of £1,611 compared to a deficit of £27,771 in 2020. Income was up in 2021 at £134,368 compared to £109,555 in 2020.

Meanwhile expenditure was down at £132,757 compared to £137,326 in 2020.

The costs of operating the centre remain under regular close scrutiny by the Board. Now that our building is paid for our costs for staff are always going to be the biggest part of our expenditure. This is true of any service organisation. However, we continue to manage these costs carefully.

We are seeing income improve from selling Oxygen Therapy to people who do not have Multiple Sclerosis.

We are pleased other people are also getting help that can improve the quality of their lives. That in turn helps the charity to be more sustainable and therefore able to continue helping people with Multiple Sclerosis long term.

Fundraising

Fundraising is always a vital part of what we do. It is very diverse and it includes:

- Bids for large grants.
- The many smaller grant making trusts that we are in contact with.
- Street and store collections and the collecting pots many of us have.
- In house fundraising initiatives such as the Fundraising Table, 100 Club and Raffles.
- Marathons, Cycle Races and other sponsored events.

Much of the above receives substantial input, help and support from our excellent volunteers, who we appreciate very much.

However, all fundraising has also been badly affected by the Covid-19 Pandemic.

Contributions from our Members

All donations from our members are deeply appreciated.

We want to thank all those who make Hertfordshire Multiple Sclerosis Therapy Centre what it is. First the people taking Oxygen Therapy with us, many of whom make vital contributions through donations and fundraising efforts. Each and every Volunteer. The Centre's paid Staff, especially Meire Andrade. Each member of the Board. Our many friends in other organisations.

We pay special tribute to all the people and organisations that have made donations and grants to the Charity.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Principal sources of income and how expenditure meets objects

Our income is principally from:

Selling Oxygen Therapy to people with MS

Selling Oxygen Therapy to people who do not have MS.

Generating Income from Fundraising

The expenditure of the charity is dominated by the salary costs of staff, which is fully in line with the objects of the charity.

Reserves Policy

It is the policy of the charitable company that unrestricted 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. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves was not maintained in 2021. In 2021 our unrestricted expenditure was £125,757. Therefore, we are working towards re-establishing reserves of £31,440 representing 3 months costs at the 2021 level of activity, as a matter of the highest priority.

At 31st December 2021 we had unrestricted reserves of £480,648 and restricted funds of £20,624 but more than this amount is represented by fixed assets (£528,302), a shortfall of £47,654. The target level of reserves as stated is £31,570. At the year end, the level of liquid unrestricted reserves is therefore approximately £79,200 below the desired level.

The Budget for 2022 plans for a deficit of £5,035. The Trustees recognise that this is the start of the process of recovering the charitable company's reserves to the preferred level. This process will take a number of years to complete. To this end the Board is investigating options to sell the building at 30 Campus Five and relocate to smaller premises. This can free up cash to clear our debts and secure reserves for the future. The charity has secured a BounceBack Loan, a government backed loan to help companies survive the impact of Covid-19. The BounceBack Loan was for £50,000.

Investment Policy

Our policy is to take any investment opportunity that can benefit the charity, after securing 3 to 6 months reserves.

Plans for the future

Work is going forward to:

- Continue to expand the Oxygen Therapy service. Already significant new numbers of paying customers, with conditions other than MS, are buying this treatment and making a significant contribution to the financial health of the charity as a whole.
- Focus fundraising more on larger grant making trusts.

This charity has had a life changing impact on the lives of many people with MS, since 1988. During that time the culture and environment externally has changed substantially. However, our desire remains to help more people affected by MS and other conditions and do this in such a way that our services remain viable long term.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

COVID-19

The Trustees conducted a redundancy consultation, borrowed £50,000 of government backed BounceBack funds and raised the price of Oxygen Therapy. The "Bounce Back Loan" from Barclays Bank, for £50,000, is repayable over 6 years at 2.5% interest.

Our budget was revised in the light of the impact of Covid-19 reflecting lower expected income from Oxygen Therapy and likely reductions in staff costs. The budget was monitored regularly and carefully, with Trustees applying the flexibility necessary to manage the charitable company through this period of uncertainty.

As a result of Covid-19 the external environment for charities has been particularly challenging. 2021 was very challenging and 2022 will not be easy but the Trustees remain confident that the charitable company will be able to deliver our aims and objects within the resources that will be available. We will not go bust and we will continue with our mission to help people in great need, principally through selling Oxygen Therapy.

Structure, governance and management

The charitable company is a company limited by guarantee, incorporated 29 January 1988, number 2215165 and registered as a charity on 4 August 1988.

The charitable company was established under a Memorandum and Articles of Association which established the objects and powers of the charitable company.

The charitable company is managed by a Board of Trustees. At any one time there must be a minimum of three Trustees and a maximum of nine Trustees. A Trustee can be appointed by an Ordinary Resolution of the members or by co-option by a decision of the Trustees until the next AGM.

At each Annual General Meeting (AGM) any Trustees who have completed a three year term of service since appointment at a previous AGM must retire from office but may offer themselves for re-election by the members, unless they have completed three consecutive terms.

The Trustees, who are also the Directors for the purpose of company law, and who served during the year were:

Mr R Greener

Mr T R Tolliday

Mr M Boscher

Mr R Levene

(Resigned 16 September 2021)

None of the trustees have 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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

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

Each year we note which new people have joined our Board or have retired from serving in this way since the last set of accounts were drawn up. We express our deep appreciation for the outstanding service of Trevor Tolliday who retired as a Trustee in the 2021 AGM.

Induction and training of trustees

New Trustees complete an induction programme and training is provided each year for all Board members.

Organisational structure

The charitable company is managed by a Board of Trustees. At any one time there must be a minimum of three Trustees and a maximum of nine Trustees.

The Trustees delegate day to day running of the charitable company's operations to the senior staff.

Relationship with wider network

While this MS Therapy Centre is entirely independent we are pleased to be members of a national association for the 49 MS Therapy Centres around the UK, called Multiple Sclerosis National Therapy Centres.

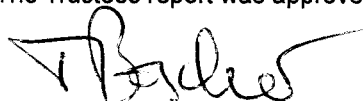
Relationships with related parties

We are entirely independent but highly value our good working relationships with the MS Society, the MS Trust, MS-UK and Overcoming MS.

Risk factors and review

The Trustees have assessed the major risks to which the charitable company is exposed, especially from the Covid-19 Pandemic, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees report was approved by the Board of Trustees.



Mr M Boscher

Trustee

Dated: 1 September 2022

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of Hertfordshire Multiple Sclerosis Therapy Centre Ltd for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial 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 trustees 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 trustees 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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

I report to the trustees on my examination of the financial statements of Hertfordshire Multiple Sclerosis Therapy Centre Ltd (the charitable company) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charitable company (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 Companies Act 2006 (the 2006 Act).

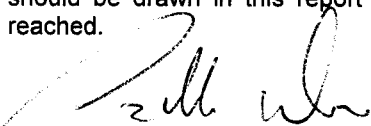
Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145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

Independent examiner's statement

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 charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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.



John Wilson FCA ATII

Howard Wilson Chartered Accountants
36 Crown Rise
Watford
Hertfordshire
WD25 0NE

Dated: 1 September 2022

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes				
<u>Income from:</u>					
Voluntary income including donations and legacies	3	20,957	7,000	27,957	17,408
Provision of Physiotherapy and Oxygen Therapy	4	86,156	-	86,156	64,820
Community fundraising, events and sponsorship	5	9,306	-	9,306	8,271
Investments	6	10,949	-	10,949	19,056
Total income		127,368	7,000	134,368	109,555
<u>Expenditure on:</u>					
Fundraising and publicity	7	12,005	-	12,005	9,897
Provision of Physiotherapy and Oxygen Therapy	8	113,752	7,000	120,752	127,429
Total expenditure		125,757	7,000	132,757	137,326
Net income/(expenditure) for the year/ Net movement in funds		1,611	-	1,611	(27,771)
Fund balances at 1 January 2021		479,037	20,624	499,661	527,432
Fund balances at 31 December 2021		480,648	20,624	501,272	499,661

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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Voluntary income including donations and legacies	3	17,408	-	17,408
Provision of Physiotherapy and Oxygen Therapy	4	64,820	-	64,820
Community fundraising, events and sponsorship	5	8,271	-	8,271
Investments	6	19,056	-	19,056
Total income		109,555	-	109,555
<u>Expenditure on:</u>				
Fundraising and publicity	7	9,897	-	9,897
Provision of Physiotherapy and Oxygen Therapy	8	127,429	-	127,429
Total expenditure		137,326	-	137,326
Net income/(expenditure) for the year/ Net movement in funds		(27,771)	-	(27,771)
Fund balances at 1 January 2020		506,808	20,624	527,432
Fund balances at 31 December 2020		479,037	20,624	499,661

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		528,302		543,046
Current assets					
Debtors	12	10,381		3,983	
Cash at bank and in hand		43,924		45,892	
		<u>54,305</u>		<u>49,875</u>	
Creditors: amounts falling due within one year	14	<u>(41,335)</u>		<u>(44,093)</u>	
Net current assets			12,970		5,782
Total assets less current liabilities			<u>541,272</u>		<u>548,828</u>
Creditors: amounts falling due after more than one year	15		(40,000)		(49,167)
Net assets			<u><u>501,272</u></u>		<u><u>499,661</u></u>
Income funds					
Restricted funds	17		20,624		20,624
<u>Unrestricted funds</u>					
Designated funds	18	683		683	
General unrestricted funds		<u>479,965</u>		<u>478,354</u>	
			<u>480,648</u>		<u>479,037</u>
			<u><u>501,272</u></u>		<u><u>499,661</u></u>

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

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 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.

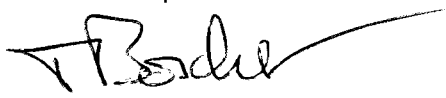
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 1 September 2022



Mr R Greener
Trustee



Mr M Boscher
Trustee

Company Registration No. 02215165

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Hertfordshire Multiple Sclerosis Therapy Centre Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Campus Five, Letchworth Garden City, Hertfordshire, SG6 2JF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, 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 financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

The charitable company meets its day to day working capital requirements with the support of loans provided by staff, trustees and supporters as detailed in note 16 to the accounts. In addition the trustees are in the process of applying for a bounce back loan to cover the transition period as they seek to return the charitable company to a surplus position.

The nature of the charitable company's activities are such that there can be considerable unpredictable variation in the timing of cash inflows. The trustees have prepared projected cash flow information for the period ending 12 months from the date of their approval of these accounts. On the basis of this cash flow information and discussions with the charitable company's lenders, the trustees consider that the charitable company will continue to operate within the cash balances currently available.

However, the margin of facilities over requirements is not large and, inherently there can be no certainty in relation to these matters. On this basis, the trustees consider it appropriate to prepare the accounts on the going concern basis. The accounts do not include any adjustments that would result from a withdrawal of the loan facilities by the charitable company's lenders.

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.

1.4 Income

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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants are recognised in the Statement of Financial Activities in the year in which they are receivable.

Incoming resources from fundraising ventures are recognised in the Statement of Financial Activities in the year in which they are receivable.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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. Resources expended include attributable VAT that is not recoverable by the charity.

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Fundraising expenditure comprises costs incurred in inducing people and organisations to contribute financially to the charity's work. This includes the costs of advertising for donations and the staging of special fundraising events.

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:

Land and buildings	50 years straight line
Plant and machinery	4 - 10 years straight line

The charity has a policy not to capitalise expenditure on fixed assets costing less than £2,500.

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 fixed assets

At each reporting end date, the charitable company 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 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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 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.

1.10 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.

1.11 Retirement benefits

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

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the charitable company'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 Voluntary income including donations and legacies

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £
Donations and gifts	4,174	-	4,174	9,794
Legacies receivable	12,391	-	12,391	-
Grants receivable for core activities	4,392	7,000	11,392	7,614
	<u>20,957</u>	<u>7,000</u>	<u>27,957</u>	<u>17,408</u>
Grants receivable for core activities				
Coronavirus Job Retention Scheme Grant	4,392	-	4,392	7,614
Letchworth Heritage Foundation	-	7,000	7,000	-
	<u>4,392</u>	<u>7,000</u>	<u>11,392</u>	<u>7,614</u>

4 Provision of Physiotherapy and Oxygen Therapy

	Income from therapies 2021 £	Income from therapies 2020 £
Income from therapies	86,156	64,820
	<u>86,156</u>	<u>64,820</u>

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Community fundraising, events and sponsorship

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Fundraising events	9,306	8,271

6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rental income	10,949	19,056

7 Fundraising and publicity

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Community fundraising, events and sponsorship</u>		
Seeking donations, grants and legacies	4,038	2,806
Staging fundraising events	7,967	7,091
Community fundraising, events and sponsorship	12,005	9,897

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Provision of Physiotherapy and Oxygen Therapy

	2021 £	2020 £
Staff costs	49,650	57,760
Depreciation and impairment	14,743	14,743
General running costs	2,634	1,950
Premises costs	12,393	11,455
Insurance costs	3,245	4,662
Repairs and maintenance costs	3,870	4,036
Office costs	772	1,900
Equipment costs	1,692	1,523
Transport costs	7	50
Training	530	-
General expenses	-	700
Legal and professional costs	10,283	10,050
Governance costs (see note below)	2,400	2,800
Bank charges and other finance costs	2,708	4,183
Oxygen	15,825	11,617
	<u>120,752</u>	<u>127,429</u>
Analysis by fund		
Unrestricted funds - general	113,752	
Restricted funds	7,000	
	<u>120,752</u>	
For the year ended 31 December 2020		
Unrestricted funds - general		127,429
		<u>127,429</u>

Governance costs comprise independent examiners fees of £2,400 (2020: £2,800). In addition the independent examiners were paid £840 (2020: £840) for payroll services.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2020- £Nil).

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Management and administration	1	2
Physiotherapists, Rehab Specialist and Assistants	-	4
Oxygen Therapy	3	3
	<u>4</u>	<u>9</u>

Employment costs

	2021 £	2020 £
Wages and salaries	49,029	55,953
Social security costs	-	1,056
Other pension costs	621	751
	<u>49,650</u>	<u>57,760</u>

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

11 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 January 2021	737,166	190,151	927,317
At 31 December 2021	<u>737,166</u>	<u>190,151</u>	<u>927,317</u>
Depreciation and impairment			
At 1 January 2021	194,121	190,151	384,272
Depreciation charged in the year	14,743	-	14,743
At 31 December 2021	<u>208,864</u>	<u>190,151</u>	<u>399,015</u>
Carrying amount			
At 31 December 2021	<u>528,302</u>	<u>-</u>	<u>528,302</u>
At 31 December 2020	<u>543,046</u>	<u>-</u>	<u>543,046</u>

All fixed assets are used directly in furtherance of the charity's objects.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	8,009	3,047
Other debtors	219	-
Prepayments and accrued income	2,153	936
	<u>10,381</u>	<u>3,983</u>

13 Loans and overdrafts

	2021	2020
	£	£
Bank loans	<u>50,000</u>	<u>50,000</u>
Payable within one year	10,000	833
Payable after one year	<u>40,000</u>	<u>49,167</u>

The long-term loans are supported by a guarantee to the lender from the UK Government under the Bounce Back Loan Scheme.

The charitable company obtained the Bounce Back Loan from Barclays Bank, repayable over six years with no repayments in the first year. The interest rate is 2.5% per annum, with the interest in the first twelve months being covered by the UK Government.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	13	10,000	833
Other taxation and social security		-	441
Trade creditors		2,762	1,444
Other creditors		20,400	34,400
Accruals and deferred income		8,173	6,975
		<u>41,335</u>	<u>44,093</u>

Included in other creditors are loans from the following:

A loan of £5,000 from Mark Boscher, who is a trustee, is unsecured. It is repayable with three months notice and interest is payable at a rate of 5% per annum.

A loan of £4,000 from Sheena Atkinson, who was a trustee of the charitable company is unsecured. It is repayable with one months notice and interest is payable at a rate of 4% per annum.

The other loan is from supporters of the charitable company. The loan of £10,000 is repayable with one months notice and interest is payable at a rate of 4% per annum.

The Trustees considered the options for borrowing the funds from banks and lending institutions but these were found to be the most cost effective option for the charitable company.

15 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	13	<u>40,000</u>	<u>49,167</u>
Bank loans			
Debt due in one year or less		10,000	833
In more than one year but not more than two years		10,000	10,000
In more than two years but not more than three years		30,000	30,000
In more that five years		-	9,167
		<u>50,000</u>	<u>50,000</u>

16 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 £621 (2020 - £751).

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 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:

	Movement in funds		Movement in funds		
	Balance at 1 January 2020	Incoming resources	Balance at 1 January 2021	Incoming resources	Balance at 31 December 2021
	£	£	£	£	£
Furniture, Fixtures and Equipment	8,058	-	8,058	-	8,058
Oxygen Compressor Fund	6,500	-	6,500	-	6,500
Letchworth Heritage Foundation	-	-	-	7,000	-
Other Restricted Funds	6,066	-	6,066	-	6,066
	<u>20,624</u>	<u>-</u>	<u>20,624</u>	<u>7,000</u>	<u>20,624</u>
				<u>(7,000)</u>	

Furniture, fixtures and equipment - This fund is funds given to purchase equipment, furniture and fittings in the Centre.

Oxygen Compressor Fund is to provide funds to replace the compressor on the oxygen tank when required.

Letchworth Heritage Foundation is a grant towards a salary post.

Other restricted funds include the following smaller restricted funds: Vehicle fund, Outreach Physiotherapy Project, Physiotherapy and Equipment Funds, new therapy couches, the cost of an Annual Review plus funding from North Hertfordshire District Council to provide training for staff in specialist Pilates courses.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Movement in funds Incoming resources	Balance at 1 January 2021	Movement in funds Incoming resources	Balance at 31 December 2021
	£	£	£	£	£
Oxygen Compressor Fund	683	-	683	-	683
	<u>683</u>	<u>-</u>	<u>683</u>	<u>-</u>	<u>683</u>

Oxygen Compressor Fund is to provide funds to replace the compressor on the oxygen tank when required.

19 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	528,302	-	528,302	543,046	-	543,046
Current assets/ (liabilities)	(7,654)	20,624	12,970	(15,525)	20,624	5,782
Long term liabilities	(40,000)	-	(40,000)	(49,167)	-	(49,167)
	<u>480,648</u>	<u>20,624</u>	<u>501,272</u>	<u>478,354</u>	<u>20,624</u>	<u>499,661</u>