

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 2022

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 2022

The Trustees present their report and financial statements for the year ended 31 December 2022.

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 achieve a 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.

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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

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

Looking back over the year January to December 2022, we can see that it was characterised by two main issues. First, the ongoing Covid Pandemic. Second, our plans to sell our building and move to smaller rented premises in order to fund the purchase of a new, more suitable, Hyperbaric Oxygen Chamber, for the coming years.

The ongoing Covid Pandemic

We can now look back on this in 2023 to see that the Pandemic in the UK lasted from March 2020 to approximately March 2023. So, the whole of the year concerned by these accounts, 2022, was impacted very seriously by Covid. Quite understandably many clients were unable to keep attending for their sessions of Hyperbaric Oxygen Therapy. This in turn impacted the charity very much because income from providing Hyperbaric Oxygen Therapy is a vital source of our income.

We are very grateful that we could borrow £50,000 from the government provided Bounce Back Loan scheme. This has been a crucial lifeline at this challenging time. It meant we were able to keep providing Hyperbaric Oxygen Therapy despite the dramatic reduction in income caused by reduced numbers of clients coming.

The Trustees are very grateful that the staff continued to make Hyperbaric Oxygen Therapy available throughout the Pandemic. Though numbers attending were much reduced, the ongoing provision of this important therapy throughout the Pandemic was greatly appreciated by the clients who were keen to keep coming. That in turn allowed new clients to come too. As a result, we have seen numbers coming slowly returning during 2022 towards pre-Covid levels.

We are increasingly providing 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.

Sale of 30 Campus Five, purchase of a new Oxygen Chamber and Renting New Premises

The Trustees reached the conclusion that our existing Hyperbaric Oxygen Chamber has very limited life left. We are struggling to get parts as items wear out and need to be replaced. It is suggested that our chamber is an ex-Royal Navy decompression chamber. It is possible the chamber was originally manufactured 100 years ago. So, it is no surprise that developments over the decades offer the prospect of better functionality, and a much longer life span. We feel compelled to take action to secure long term provision of Hyperbaric Oxygen Therapy by purchasing a new purpose built chamber.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

We have reviewed the use of the current building, at 30 Campus Five, Letchworth, and concluded that we use only 25% for Hyperbaric Oxygen Therapy. The rest has been used by tenants using parts for offices and by therapists renting small rooms by the hour or the Gym on a longer-term basis. Therefore, a search has been made for smaller premises to rent. Only by selling the building we own and renting a smaller place, can we free up the finances to purchase a new Hyperbaric Oxygen Chamber.

In 2022 we discussed our plans to leave 30 Campus Five with all parties renting in our building at 30 Campus Five. By end of 2022 all had found new accommodation elsewhere. That means we are ready for a sale just as soon as a buyer is ready to complete on the purchase. The charity is now only using the part of the building where the Oxygen Chamber is, and the space above on the mezzanine floor.

At the end of 2022, we are as prepared as we can be for the sale of 30 Campus Five, for submitting a purchase order for a new Oxygen Chamber and for renting new premises. These three transactions should be completed in 2023. We hope to be in our new premises using our new Chamber by end of 2023.

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 Multiple Sclerosis in Hertfordshire and surrounding areas. We want to deliver the most effective therapies possible, in the most affordable way.

We remain financially stable because of the freehold building we own. In 2022 we had a deficit of £13,735 in comparison with a surplus of £1,611 in 2021. Income was down in 2022 at £129,983 compared to £134,368 in 2021. Expenditure was up at £143,718 compared to £132,757 in 2021.

The costs of operating the centre remain under regular close scrutiny by the Board. As a service organisation, the cost of staff is always going to be the biggest part of our expenditure. However, we continue to manage these and other costs carefully.

The charity secured a BounceBack Loan in 2021, a government backed loan to help companies survive the impact of Covid-19. The BounceBack Loan was for £50,000 and is now being repaid over a period of 10 years.

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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

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.

Principal sources of income and how expenditure meets objects

Our income is principally from:

Selling Oxygen Therapy to people with Multiple Sclerosis

Selling Oxygen Therapy to people who do not have Multiple Sclerosis

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 2022. In 2022 our unrestricted expenditure was £143,718. Therefore, we are working towards re-establishing reserves of £35,930 representing 3 months costs at the 2022 level of activity, as a matter of the highest priority.

At 31st December 2022 we had unrestricted reserves of £466,913 and restricted funds of £20,624 but more than this amount is represented by fixed assets (£513,559), a shortfall of £26,022. The target level of reserves as stated is £35,930. At the year end, the level of liquid unrestricted reserves is therefore approximately £61,952 below the desired level.

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 planning 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.

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:

- Complete the sale of 30 Campus Five, purchase a new Oxygen Chamber and move to new rented premises
- Continue to expand the Oxygen Therapy service. Already significant new numbers of paying customers, with conditions other than Multiple Sclerosis, 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 Multiple Sclerosis 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 2022

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 M Boscher

Mr R Levene

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.

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 Multiple Sclerosis Therapy Centre is entirely independent we are pleased to be members of a national association for the 49 Multiple Sclerosis 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 and are satisfied that systems are in place to mitigate exposure to those risks.

The Trustees report was approved by the Board of Trustees.



Mr M Boscher

Trustee

Dated: 1 September 2023

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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; 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 2022.

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.

Campbell Wilson

John Wilson FCA ATII

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

Dated: 6 September 2023

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income from:</u>					
Voluntary income including donations and legacies	3	10,254	-	10,254	27,957
Provision of Physiotherapy and Oxygen Therapy	4	102,359	-	102,359	86,156
Community fundraising, events and sponsorship	5	10,793	-	10,793	9,306
Investment income	6	6,577	-	6,577	10,949
Total income		<u>129,983</u>	<u>-</u>	<u>129,983</u>	<u>134,368</u>
<u>Expenditure on:</u>					
Fundraising and publicity	7	16,758	-	16,758	12,005
Provision of Physiotherapy and Oxygen Therapy	8	126,960	-	126,960	120,752
Total expenditure		<u>143,718</u>	<u>-</u>	<u>143,718</u>	<u>132,757</u>
Net (expenditure)/income for the year/ Net movement in funds		(13,735)	-	(13,735)	1,611
Fund balances at 1 January 2022		<u>480,648</u>	<u>20,624</u>	<u>501,272</u>	<u>499,661</u>
Fund balances at 31 December 2022		<u><u>466,913</u></u>	<u><u>20,624</u></u>	<u><u>487,537</u></u>	<u><u>501,272</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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

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

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		513,559		528,302
Current assets					
Debtors	13	10,061		10,381	
Cash at bank and in hand		24,221		43,924	
		<u>34,282</u>		<u>54,305</u>	
Creditors: amounts falling due within one year	15	(19,040)		(41,335)	
Net current assets			15,242		12,970
Total assets less current liabilities			528,801		541,272
Creditors: amounts falling due after more than one year	16		(41,264)		(40,000)
Net assets			<u>487,537</u>		<u>501,272</u>
Income funds					
Restricted funds	18		20,624		20,624
<u>Unrestricted funds</u>					
Designated funds	19	683		683	
General unrestricted funds		<u>466,230</u>		<u>479,965</u>	
			466,913		480,648
			<u>487,537</u>		<u>501,272</u>

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

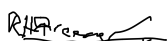
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

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 2023



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 2022

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 supporters as detailed in note 16 to the accounts. In addition the trustees obtained a bounce back loan, repayable over a ten year period, 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.

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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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.

1.10 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.

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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Voluntary income including donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	7,975	4,174	-	4,174
Legacies receivable	2,279	12,391	-	12,391
Grants receivable for core activities	-	4,392	7,000	11,392
	<u>10,254</u>	<u>20,957</u>	<u>7,000</u>	<u>27,957</u>
Grants receivable for core activities				
Coronavirus Job Retention Scheme Grant	-	4,392	-	4,392
Letchworth Heritage Foundation	-	-	7,000	7,000
	<u>-</u>	<u>4,392</u>	<u>7,000</u>	<u>11,392</u>

4 Provision of Physiotherapy and Oxygen Therapy

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Income from therapies	102,359	86,156

5 Community fundraising, events and sponsorship

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Fundraising events	10,793	9,306

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Investment income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Rental income	6,534	10,949
Interest receivable	43	-
	<u>6,577</u>	<u>10,949</u>

7 Fundraising and publicity

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Community fundraising, events and sponsorship		
Seeking donations, grants and legacies	7,561	4,038
Staging fundraising events	9,197	7,967
	<u>16,758</u>	<u>12,005</u>

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 Provision of Physiotherapy and Oxygen Therapy

	2022 £	2021 £
Staff costs	50,971	49,650
Depreciation and impairment	14,743	14,743
General running costs	2,649	2,634
Premises costs	9,969	12,393
Insurance costs	4,031	3,245
Repairs and maintenance costs	4,279	3,870
Office costs	2,569	772
Equipment costs	1,741	1,692
Transport costs	319	7
Training	735	530
Legal and professional costs	9,075	10,283
Governance costs (see note below)	2,400	2,400
Bank charges and other finance costs	2,698	2,708
Oxygen	20,781	15,825
	<u>126,960</u>	<u>120,752</u>
Analysis by fund		
Unrestricted funds - general	126,960	113,752
Restricted funds	-	7,000
	<u>126,960</u>	<u>120,752</u>

Governance costs comprise independent examiners fees of £2,400 (2021: £2,400). In addition the independent examiners were paid £900 (2021: £840) for payroll services.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2021- £Nil).

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Management and administration	1	1
Oxygen Therapy	4	3
	<u>5</u>	<u>4</u>

Employment costs

	2022 £	2021 £
Wages and salaries	50,227	49,029
Other pension costs	744	621
	<u>50,971</u>	<u>49,650</u>

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

11 Taxation

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

12 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 January 2022	737,166	190,151	927,317
Disposals	-	(52,289)	(52,289)
	<u>737,166</u>	<u>137,862</u>	<u>875,028</u>
At 31 December 2022	737,166	137,862	875,028
Depreciation and impairment			
At 1 January 2022	208,864	190,151	399,015
Depreciation charged in the year	14,743	-	14,743
Eliminated in respect of disposals	-	(52,289)	(52,289)
	<u>223,607</u>	<u>137,862</u>	<u>361,469</u>
At 31 December 2022	223,607	137,862	361,469
Carrying amount			
At 31 December 2022	<u>513,559</u>	<u>-</u>	<u>513,559</u>
At 31 December 2021	<u>528,302</u>	<u>-</u>	<u>528,302</u>

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tangible fixed assets (Continued)

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

13 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	5,584	8,009
Other debtors	-	219
Prepayments and accrued income	4,477	2,153
	<u>10,061</u>	<u>10,381</u>

14 Loans and overdrafts

	2022	2021
	£	£
Bank loans	<u>47,159</u>	<u>50,000</u>
Payable within one year	5,895	10,000
Payable after one year	<u>41,264</u>	<u>40,000</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 ten 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.

15 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	14	5,895	10,000
Other taxation and social security		839	-
Trade creditors		1,749	2,762
Other creditors		5,976	20,400
Accruals and deferred income		4,581	8,173
		<u>19,040</u>	<u>41,335</u>

Included in other creditors are loans from the following:

A loan of £4,000 from a supporter and former trustee, Sheena Atkinson, is unsecured. It 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.

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	14	41,264	40,000
Bank loans			
Debt due in one year or less		5,895	833
In more than one year but not more than two years		5,895	10,000
In more than two years but not more than three years		17,685	30,000
In more than five years		17,684	9,167
		47,159	50,000

17 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 £744 (2021 - £621).

HERTFORDSHIRE MULTIPLE SCLEROSIS THERAPY CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 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 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Balance at 31 December 2022
	£	£	£	£	£	£
Furniture, Fixtures and Equipment	8,058	-	-	8,058	-	8,058
Oxygen Compressor Fund	6,500	-	-	6,500	-	6,500
Letchworth Heritage Foundation	-	7,000	(7,000)	-	-	-
Other Restricted Funds	6,066	-	-	6,066	-	6,066
	<u>20,624</u>	<u>7,000</u>	<u>(7,000)</u>	<u>20,624</u>	<u>-</u>	<u>20,624</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 2022

19 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 2021	Movement in funds Incoming resources	Balance at 1 January 2022	Movement in funds Incoming resources	Balance at 31 December 2022
	£	£	£	£	£
Oxygen Compressor Fund	683	-	683	-	683
	683	-	683	-	683

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

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:					
Tangible assets	513,559	-	513,559	528,302	528,302
Current assets/(liabilities)	(5,382)	20,624	15,242	(7,654)	12,970
Long term liabilities	(41,264)	-	(41,264)	(40,000)	(40,000)
	466,913	20,624	487,537	480,648	501,272