

Charity Registration No. 529464

CEREBRAL PALSY MIDLANDS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

CEREBRAL PALSY MIDLANDS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Wall MBE (Chairman) Mr C Adams Mr J Grenfell (Honorary Treasurer) Mrs C Noble Mrs A Lilly Mrs L Boswell Mr P Cornell
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Charity number	529464
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Principal address	17 Victoria Road Harborne Birmingham B17 0AQ
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Auditor	Jerroms Lumaneri House Blythe Gate Blythe Valley Park Solihull West Midlands B90 8AH
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CEREBRAL PALSY MIDLANDS

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CEREBRAL PALSY MIDLANDS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 and the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2019 (FRS102)).

Objectives and activities

The charity is an organisation run with, for and by people with Cerebral Palsy and other people with severe problems affecting speech and language.

The objectives of Cerebral Palsy Midlands can be summarised as follows:

- To fulfil people's identified educational, recreational, cultural and social needs
- To maximise people's independence and potential
- To support and enable people to live independently in their own homes
- To access the local community and facilitate all resources
- To ensure people know their rights and advocate on their behalf as necessary
- To build on people's self-esteem and develop their confidence through building a strong sense of community where people can feel confident and secure
- To offer communication skills, health and well-being
- To develop a user-led service

The trustees set the policies to achieve the above objectives. They provide the support and encouragement to the staff in this task as well as preparing financial statements for each financial year. The Trustees are responsible for ensuring that relevant aspects of law, employments, health and Safety, are complied with.

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

The charity makes grants to relieve the poverty of those people with cerebral palsy and other persons with severe problems affecting speech and language, their parents and those caring for them.

Achievements and performance

Financial review

Reserve Policy

The policy of the charity is to maintain free reserves at a level, which equates to approximately six months' unrestricted expenditure, which for the current year is £201,728 (2020: £229,831). The free reserves as at 31 March 2021 were £588,194 (excluding investments fund).

The closure of the centre to users during the current year has led to abnormal levels of income and expenditure. Excessive reserves have not affected the levels of support. Healthy reserves gives reassurance of longevity in the face of strained local authority finances.

Grant Making Policy

The charity makes grants to relieve the poverty of those people with cerebral palsy and other persons with severe problems affecting speech and language, their parents and those caring for them.

Investment Policy

There are no restrictions on the charity's power to invest. The Trustees consider the income requirements, the risk profile and the investment manager's view of the market prospectus in the medium term. The trustees invest the funds of Cerebral Palsy Midlands in such securities as the trustees in its absolute discretion shall think fit with all the powers of investment of an absolute owner.

Risk review

The Trustees have examined the major strategic, business and operation risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

CEREBRAL PALSY MIDLANDS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The charity is managed by a council consisting of a maximum of twelve members who are appointed at the Annual General Meeting as Trustees. Trustees of the council shall hold office for three years but shall be eligible for re-election, with the exception of the Honorary officers, who will hold office for once year. One third of the Trustees must retire annually.

The council has the power to appoint a new Trustee in the event of any vacancy in the Trusteeship, and to remove any Trustee from Trusteeship.

Cerebral Palsy Midlands operates as a public benefit entity.

Cerebral Palsy Midlands is a registered charity number 529464. The constitution dated 16th October 1995 and revised 17th October 2005 is the primary governing document of Cerebral Palsy Midlands.

The Trustees set out below have held office during the period:-

Mr A Wall MBE (Chairman)

Mr C Adams

Mr J Grenfell (Honorary Treasurer)

Mrs C Noble

Mrs A Lilly

Mrs L Boswell

Mr P Cornell

CEREBRAL PALSY MIDLANDS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Review of Activities 2020-2021

The charity's activities could not continue without the vital donations and support it receives from charitable trusts, businesses and the general public.

During the financial year ending 31 March 2021, Cerebral Palsy Midlands: -

Due to the Covid 19 Pandemic we succeeded in making drastic changes to our service provision. As the country went into lockdown on the 23/03/2020, our citizens, their families, their carers, our staff and volunteers all had to adapt in these demanding times.

We Continued to provide much needed outreach support, activities, training and educational courses to over 42 people who have various physical and learning disabilities, who access the charity's community centre in Harborne, Birmingham.

We succeeded to continue our Being Heard music project and VeranicArt visual arts project.

The CPM Connection remains a collaboration between members and volunteers that provides an excellent platform for self-expression and teamwork through music.

Wheelchair dance and Tai Chi continue, giving vital wellbeing sessions to our disabled community, focusing on exercise and emotional support.

Our LifeSkills Centre is an excellent facility, continuing, training, teaching new skills, promoting independence and promoting a healthy lifestyle.

All of our activities were moved to online, we have digitally connected with our citizens. There have been regular weekly timetables set out covering all activity. We have made this possible by utilising media platforms such as Facebook, Zooms, live broadcasts, Messenger and Microsoft Teams.

Our expanded online services also saw an increase in our community, reaching out to more people who have a disability or complex need, who have been socially isolated.

We utilised our time throughout lockdown to decorate, upgrade and maintain our Day Service building. We upgraded manual handling equipment fitting a new ceiling hoist in one of our care suites, installed new LED lighting throughout the building, complete electrical installation check carried out, provided new flooring to entrance, corridors and media room, majority of building decorated and freshened paintwork and new heating and hot water systems installed. There have been some major works completed, our community day service is looking very impressive and looking forward to welcoming our citizens.

CEREBRAL PALSY MIDLANDS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

We have had a variety of activity and developed outreach support throughout this difficult year:

Our Access for All project which is partly funded through Birmingham City council, has exceeded expectation. We were able to develop an online community, promoting digital inclusion. This entailed supporting citizens to access online services. Working in unison with our day provision, we were able to keep all of our citizens their families and carers connected. This enabled all of our community to remain safe and informed. Mental health has been a key issue throughout the last year, by keeping us all connected we were able to effectively react and give support and extra support to those most vulnerable and in need. Some examples of support are, shopping, hot meal deliveries, prescription support, Drs and hospital appointments and well being visits. Staying connected enabled our service to monitor and maintain mental health and wellbeing, keeping our community safe and well.

The Friends of CPM supporters and our volunteers have continued to support our citizens and our services, they are an invaluable asset.

URconnectABLE service remains a great asset to our community, especially through such a difficult year. Citizens are able to seek advice and advocacy as well as a sense of belonging. URconnectABLE has been successful in signposting and supporting citizens with housing needs, finances and benefits, accessing Health services and bespoke support and advice for individuals.

We continue to work with Sociability Care who have provided bespoke Mental Health First Aid training and Safeguarding training to our staff, volunteers and citizens.

Covid 19 overview for year 2020/21

Being a very difficult year for all we have been able to continue Cerebral Palsy services to our citizens. Throughout this time we have been working closely with Birmingham City Council, Department of Health & Social Care and the National Health Service.

We have been successful in developing testing services for all of our citizens, staff and volunteers. We are able to order and supply Lateral Flow and PCR test kits for those in our community who need support.

Over 95% of our staff, citizens and volunteers were able to be double vaccinated with help and support from Cerebral Palsy services.

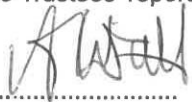
We have been able to keep all of our citizens, families and carers up to date with current Covid 19 guidelines and maintain assurances for our community who have needed extra support and clarity of information.

Throughout the year we have maintained all staff employment, volunteer inclusion and our tutors have all maintained their positions. This has only been possible with the help and support of our regular donors and trusts who support our services financially and also the added support from Birmingham City Council and their commissioning teams who have served our services with securing funding and with help and advice.

Thank you to all of our community and supporters who have worked so closely through this last difficult unpredictable year.

Finally would like to acknowledge the sad loss of our citizen and friend Thomas Slee, who passed suddenly. He is missed and we all remember his great character and personality and our thoughts are with his sister Serena and brother-in-law Steve.

The Trustees' report was approved by the Board of Trustees.


.....
Mr A Wall MBE (Chairman)
Trustee **2-11-21**
Dated:


.....
Mr J Grenfell (Honorary Treasurer)
Trustee
Dated: **2/11/21**

CEREBRAL PALSY MIDLANDS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that 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 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 charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CEREBRAL PALSY MIDLANDS

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CEREBRAL PALSY MIDLANDS

Opinion

We have audited the financial statements of Cerebral Palsy Midlands (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CEREBRAL PALSY MIDLANDS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CEREBRAL PALSY MIDLANDS

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Confirmed that bank balances have been fully reconciled as at the year end.
- Documenting and verifying all significant related party balances and transactions.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

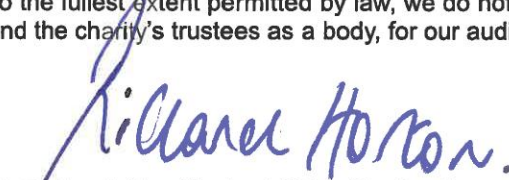
CEREBRAL PALSY MIDLANDS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CEREBRAL PALSY MIDLANDS

Use of our report

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


Mr Richard Alan Horton FCCA (Senior Statutory Auditor)
for and on behalf of Jerroms

12 November 2021

**Chartered Certified Accountants
Statutory Auditor**

Lumaneri House
Blythe Gate
Blythe Valley Park
Solihull
West Midlands
B90 8AH

Jerroms is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

CEREBRAL PALSY MIDLANDS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>							
Donations and legacies	3	132,855	10,000	142,855	707,120	4,000	711,120
Charitable activities	4	298,868	-	298,868	352,915	-	352,915
Investments	5	16,571	-	16,571	1,208	-	1,208
Other income	6	-	-	-	36,559	-	36,559
Total income		448,294	10,000	458,294	1,097,802	4,000	1,101,802
<u>Expenditure on:</u>							
Raising funds	7	744	-	744	3,565	-	3,565
Charitable activities	8	402,712	10,000	412,712	456,097	-	456,097
Total resources expended		403,456	10,000	413,456	459,662	-	459,662
Net gains/(losses) on investments		36,977	-	36,977	-	-	-
Net income for the year/ Net movement in funds		81,815	-	81,815	638,140	4,000	642,140
Fund balances at 1 April 2020		1,300,200	23,767	1,323,967	662,060	19,767	681,827
Fund balances at 31 March 2021		1,382,015	23,767	1,405,782	1,300,200	23,767	1,323,967

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

All income and expenditure derive from continuing activities.

CEREBRAL PALSY MIDLANDS

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	19,557		18,099	
Investments	13	793,821		747,732	
		<u>813,378</u>		<u>765,831</u>	
Current assets					
Stocks	14	50		250	
Debtors	15	73,644		95,260	
Cash at bank and in hand		531,853		511,518	
		<u>605,547</u>		<u>607,028</u>	
Creditors: amounts falling due within one year	16	(13,143)		(48,892)	
Net current assets		<u>592,404</u>		<u>558,136</u>	
Total assets less current liabilities		<u>1,405,782</u>		<u>1,323,967</u>	
Income funds					
Restricted funds - general	17	23,767		23,767	
Unrestricted funds		1,382,015		1,300,200	
		<u>1,405,782</u>		<u>1,323,967</u>	

The financial statements were approved by the Trustees on 2-11-21



 Mr A Wall MBE (Chairman)
 Trustee



 Mr J Grenfell (Honorary Treasurer)
 Trustee

CEREBRAL PALSY MIDLANDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	22		23,210		649,590
Investing activities					
Purchase of tangible fixed assets		(10,334)		(4,954)	
Purchase of investments		(15,881)		(700,000)	
Investment management fees deducted		6,769		-	
Interest received		16,571		1,208	
Net cash used in investing activities			(2,875)		(703,746)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			20,335		(54,156)
Cash and cash equivalents at beginning of year			511,518		565,674
Cash and cash equivalents at end of year			531,853		511,518

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Cerebral Palsey Midlands is a public benefit entity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's constitution, the Charities Act 2011 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 Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. 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

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds are unrestricted funds which have been set aside for a specific, but not legally binding, purpose.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity 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 Charity 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.

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the Charity 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.

1.5 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.

Freehold land is shown at cost and not depreciated. The trustees recognise that the market value of the freehold land is significantly more than cost. The cost of the welfare building has been written off as its use and worth is only applicable to the charity's activities.

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:

Leasehold improvements	Enter depreciation rate via StatDB - cd99988
Fixtures and fittings	20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Impairment of fixed assets

At each reporting end date, the Charity 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).

1.7 Financial instruments

The Charity 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 Charity's balance sheet when the Charity 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.

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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 Charity's contractual obligations expire or are discharged or cancelled.

1.8 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 Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

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

1.10 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

1.11 Irrecoverable VAT

Irrecoverable VAT is charged against the category or resources expended for which it was incurred.

1.12 Expenditure

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the Charity'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 Donations and legacies

	Unrestricted funds	Restricted funds general	Total	Unrestricted funds	Restricted funds general	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	-	10,000	10,000	-	4,000	4,000
Legacies received	50,000	-	50,000	611,777	-	611,777
Grants received	34,800	-	34,800	31,413	-	31,413
Donated goods and services	44,800	-	44,800	57,930	-	57,930
Other	3,255	-	3,255	6,000	-	6,000
	<u>132,855</u>	<u>10,000</u>	<u>142,855</u>	<u>707,120</u>	<u>4,000</u>	<u>711,120</u>

4 Charitable activities

	2021 £	2020 £
Statutory-Local Authority Day Care	236,289	260,392
Non Statutory - Other Income	62,579	92,523
	<u>298,868</u>	<u>352,915</u>

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Income from listed investments	16,510	856
Interest receivable	61	352
	<u>16,571</u>	<u>1,208</u>

6 Other income

	Total	Unrestricted funds
	2021 £	2020 £
Other income	-	36,559

Included within other income is kitchen sales, royalty income, subscription income, online donations and various other miscellaneous income.

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Other fundraising costs	744	3,565
	<u>744</u>	<u>3,565</u>

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Charitable activities

	2021 £	2020 £
Staff costs	291,012	296,009
Depreciation and impairment	8,876	8,616
Other staff costs	2,411	2,016
Building costs	32,718	43,501
Transport and travel	10,898	14,507
General welfare costs	33,236	42,747
Office expenditure	10,136	9,105
Insurances	3,054	2,289
Holidays and events	765	22,419
	<u>393,106</u>	<u>441,209</u>
Share of governance costs (see note 9)	19,606	14,888
	<u>412,712</u>	<u>456,097</u>
Analysis by fund		
Unrestricted funds	402,712	456,097
Restricted funds - general	10,000	-
	<u>412,712</u>	<u>456,097</u>

9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	2,400	2,400	-	2,400	2,400
Legal and professional	-	5,226	5,226	-	7,386	7,386
Bank charges and interest	-	423	423	-	458	458
HR professional fees	-	4,788	4,788	-	4,644	4,644
Investment management	-	6,769	6,769	-	-	-
	<u>-</u>	<u>19,606</u>	<u>19,606</u>	<u>-</u>	<u>14,888</u>	<u>14,888</u>
Analysed between						
Charitable activities	-	19,606	19,606	-	14,888	14,888
	<u>-</u>	<u>19,606</u>	<u>19,606</u>	<u>-</u>	<u>14,888</u>	<u>14,888</u>

Governance costs includes payments to the auditors of £2,400 (2020-£2,400) for audit fees.

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Direct chargeable activities	18	18
Employment costs	2021 £	2020 £
Wages and salaries	263,857	267,458
Social security costs	13,911	17,478
Other pension costs	13,244	11,073
	291,012	296,009

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

12 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2020	3,403	133,416	52,387	189,206
Additions	-	2,134	8,200	10,334
At 31 March 2021	3,403	135,550	60,587	199,540
Depreciation and impairment				
At 1 April 2020	-	123,468	47,639	171,107
Depreciation charged in the year	-	4,502	4,374	8,876
At 31 March 2021	-	127,970	52,013	179,983
Carrying amount				
At 31 March 2021	3,403	7,580	8,574	19,557
At 31 March 2020	3,403	9,948	4,748	18,099

All fixed assets are used of direct charitable purposes.

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2020	747,732
Additions	15,881
Valuation changes	36,977
Disposals	(6,769)
At 31 March 2021	793,821
Carrying amount	
At 31 March 2021	793,821
At 31 March 2020	747,732

Due to the exceptionally volatile markets after February 2020, the quarterly investment valuation was abnormally low at 31 March 2020 . As the Trustees believed that the sharp reduction in value was only temporary, no adjustment for impairment was made for in the 2020 financial statements, and the valuations have increased in each subsequent quarterly report. The trustees have no plans to sell investments in the short or medium term as they still retain significant cash reserves.

14 Stocks

	2021 £	2020 £
Kitchen stocks	50	250

15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	38,597	62,537
Other debtors	26,580	25,496
Prepayments and accrued income	8,467	7,227
	73,644	95,260

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	3,902	5,093
Trade creditors	4,939	5,687
Other creditors	-	32,850
Accruals	4,302	5,262
	<u>13,143</u>	<u>48,892</u>

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 April 2019 £	Incoming resources £	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
In memory of Christopher Turner, for music room	6,000	4,000	10,000	-	(10,000)	-
Pension reserve	13,767	-	13,767	-	-	13,767
National Lottery grant - Music Project	-	-	-	10,000	-	10,000
	<u>19,767</u>	<u>4,000</u>	<u>23,767</u>	<u>10,000</u>	<u>(10,000)</u>	<u>23,767</u>

18 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 March 2021 are represented by:						
Tangible assets	19,557	-	19,557	18,099	-	18,099
Investments	793,821	-	793,821	747,732	-	747,732
Current assets/ (liabilities)	568,637	23,767	592,404	534,369	23,767	558,136
	<u>1,382,015</u>	<u>23,767</u>	<u>1,405,782</u>	<u>1,300,200</u>	<u>23,767</u>	<u>1,323,967</u>

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	1,152	1,152
Between two and five years	4,608	4,608
In over five years	960	2,112
	<u>6,720</u>	<u>7,872</u>

20 Events after the reporting date

The Trustees have considered the effect of the Covid-19 pandemic which have severely restricted the Charity's activities throughout the year. However the charity continues to operate and has good cash reserves to support the charity's operations during the ongoing limitations.

21 Related party transactions

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

22 Cash generated from operations

	2021 £	2020 £
Surplus for the year	81,815	642,141
Adjustments for:		
Investment income recognised in statement of financial activities	(16,571)	(1,208)
Gain on valuation of investments	(36,977)	-
Depreciation and impairment of tangible fixed assets	8,876	8,616
Movements in working capital:		
Decrease in stocks	200	-
Decrease/(increase) in debtors	21,616	(36,353)
(Decrease)/increase in creditors	(35,749)	36,394
Cash generated from operations	<u>23,210</u>	<u>649,590</u>

23 Auditor's liability limitation agreement

The company has, by resolution, waived the need for approval of the auditors' limitation liability, which has been set at £2,000,000 within the letter of engagement dated 15 December 2020. This approval has been confirmed in the letter of representation dated 12 October 2021.