

Charity registration number 529464

CEREBRAL PALSY MIDLANDS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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 L Boswell
Mr P Cornell
Mr M Ganner

(Appointed 6 December
2021)

Mrs T Hackett

(Appointed 6 December
2021)

Charity number

529464

Principal address

17 Victoria Road
Harborne
Birmingham
B17 0AQ

Auditor

Jerrons
Lumaneri House
Blythe Gate
Blythe Valley Park
Sollihull
West Midlands
B90 8AH

CEREBRAL PALSY MIDLANDS

CONTENTS

	Page
Trustees' report	1 - 4
Statement of Trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 22

CEREBRAL PALSY MIDLANDS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and financial statements for the year ended 31 March 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 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).

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

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 2022, Cerebral Palsy Midlands: -

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.

With the country still being widely affected by Covid 19, we succeeded in opening our day services to our citizens. All of our clients benefited from a face to face service. People were supported to leave their homes and access their local community. It has been an enlightening, exhilarating time for our services, our citizens, staff, volunteers and families. All have been so happy and pleased to see their friends and families.

Cerebral Palsy Midlands succeeded in supporting our community to book and access their full vaccinations and continue to do so. Accessing vaccinations has been paramount in the opening of our services and to keep our community safe, well and protected.

We fully facilitated a contact and trace programme whilst adhering to all guidelines set out by the Department of Health. Taking temperatures, sanitizing and observations have all been conducted and recorded daily for all citizens, staff and volunteers.

CEREBRAL PALSY MIDLANDS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

We succeeded to continue our Being Heard music project facilitated by tutor Richard Ganner. Getting back to our centre in Harborne has been so beneficial to the group members, who continue to enjoy singing, writing plays, researching musical history and performing live.

The CPM Connection remains a collaboration between members and volunteers that provides an excellent platform for self-expression and teamwork through music. Being able to get back to playing musical instruments and recording songs, though most importantly working together face to face, has been so needed for all.

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.

We have continued our online presence, combining with our day opportunities and outreach support. 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 Access for All project, which is partly funded through Birmingham City Council, has exceeded expectation. We have been able to continue support in the community, supporting our citizens to socialize, going for pub lunches, day trips out, cinema, shopping and attending medical appointments.

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.

Throughout this time, we have been working closely with Birmingham City Council, Department of Health and Social Care and the National Health Service.

We welcome two new full time support staff, fully trained and qualified, they are proving an asset to our team and service.

We supported and performed in a large scale production "Wonderous Stories" with an inclusive dance group called "FreeWheelin" in Centenary Square in Birmingham city centre, kicking off the Birmingham 2022 Festival ahead of the Commonwealth Games.

The 94th Birmingham Guides continue to facilitate our community building every Thursday evening for the Rainbows and Brownies. Our building and parking is ideal for these community groups to make the most of our facilities.

Our Christmas carol concert was a great success, as was ensuring all of our citizens, families, carers and volunteers to have pre-Christmas lunches over a three day period.

Our citizens also seized a great opportunity to make a short film episode of Dr Who. Craig Keogh of Solitary Pictures produced a short film telling the story of a young girl and her family being brought into the future to Cerebral Palsy Midlands. The film highlighted the differences and attitudes to care in society from the early 1900's to the present day. It was great fun.

CEREBRAL PALSY MIDLANDS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

It is with great sadness to acknowledge the sudden death of Carl Johnson. Carl was a tremendous character and accessed our services for over 30 years. He was loved by all and will always be in our thoughts. Carl's ashes were scattered in our garden of remembrance here at Cerebral Palsy Midlands. Carl also had the continued support from his family throughout his life. Our thoughts go to his mother Maureen and father Brian who were always there for Carl and loved him so very much.

We would like to thank all of our supporters, families and donors for their continued support.

Financial review

Following the return to more normal activity levels, expenditure broadly matched income of the year. Surplus cash balances in excess of normal requirements have been transferred to the investment portfolio.

Reserves 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 £241,856 (2021: £201,728). The free reserves as at 31 March 2022 (excluding investments fund) were £324,806 (2021: 588,194).

The closure of the community centre in Harborne, Birmingham, to users during the previous year 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.

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.

CEREBRAL PALSY MIDLANDS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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

(Resigned 25 January 2022)

Mrs L Boswell

Mr P Cornell

Mr M Ganner

(Appointed 6 December 2021)

Mrs T Hackett

(Appointed 6 December 2021)

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



Mr A Wall MBE (Chairman)

Trustee

Dated: 16 November 2022



Mr J Grenfell (Honorary Treasurer)

Trustee

Dated: 16 November 2022

CEREBRAL PALSY MIDLANDS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 Financial Reporting Standard 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 2022 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.

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.

CEREBRAL PALSY MIDLANDS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CEREBRAL PALSY MIDLANDS

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.

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.
- Confirmed that bank balances have been fully reconciled as at the year end.
- Documenting and verifying all significant related party balances and transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation from the events and transactions reflected in the financial statements, as we will be less likely to be aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

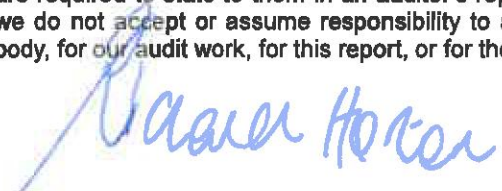
CEREBRAL PALSY MIDLANDS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CEREBRAL PALSY MIDLANDS

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members 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 Business Solutions Limited

16 November 2022

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 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	95,126	-	95,126	132,855	10,000	142,855
Charitable activities	4	363,698	-	363,698	298,868	-	298,868
Investments	5	27,583	-	27,583	16,571	-	16,571
Total income		486,407	-	486,407	448,294	10,000	458,294
Expenditure on:							
Raising funds	6	1,591	-	1,591	744	-	744
Charitable activities	7	482,132	-	482,132	402,712	10,000	412,712
Total expenditure		483,723	-	483,723	403,456	10,000	413,456
Net gains/(losses) on investments		1,486	-	1,486	36,977	-	36,977
Net incoming resources before transfers		4,170	-	4,170	81,815	-	81,815
Gross transfers between funds		13,767	(13,767)	-	-	-	-
Net income/(expenditure) for the year/							
Net movement in funds		17,937	(13,767)	4,170	81,815	-	81,815
Fund balances at 1 April 2021		1,382,015	23,767	1,405,782	1,300,200	23,767	1,323,967
Fund balances at 31 March 2022		1,399,952	10,000	1,409,952	1,382,015	23,767	1,405,782

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		19,445		19,557
Investments	12		1,061,280		793,821
			<u>1,080,725</u>		<u>813,378</u>
Current assets					
Stocks	13	50		50	
Debtors	14	50,962		73,644	
Cash at bank and in hand		297,460		531,853	
		<u>348,472</u>		<u>605,547</u>	
Creditors: amounts falling due within one year	15	(19,245)		(13,143)	
Net current assets			<u>329,227</u>		<u>592,404</u>
Total assets less current liabilities			<u>1,409,952</u>		<u>1,405,782</u>
Income funds					
Restricted funds - general	16		10,000		23,767
<u>Unrestricted funds</u>					
Designated funds	17	13,767		-	
General unrestricted funds		1,386,185		1,382,015	
			<u>1,399,952</u>		<u>1,382,015</u>
			<u>1,409,952</u>		<u>1,405,782</u>

The financial statements were approved by the Trustees on 16 November 2022

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 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	21		11,715		23,210
Investing activities					
Purchase of tangible fixed assets		(7,717)		(10,334)	
Purchase of investments		(301,706)		(15,881)	
Proceeds from disposal of investments		35,732		6,769	
Investment Income received		27,583		16,571	
Net cash used in investing activities			(246,108)		(2,875)
Net cash used in financing activities					-
Net (decrease)/increase in cash and cash equivalents			(234,393)		20,335
Cash and cash equivalents at beginning of year			531,853		511,518
Cash and cash equivalents at end of year			<u>297,460</u>		<u>531,853</u>

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity Information

Cerebral Palsy Midlands is a public benefit entity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Trust Deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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.

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.

CEREBRAL PALSY MIDLANDS

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

1 Accounting policies

(Continued)

1.5 Resources Expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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.

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:

Freehold land and buildings	N/A
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 the statement of financial activities.

Depreciation on freehold land and buildings is not provided as the directors believe the property is well maintained and the recoverable amount is in excess of the cost shown in the financial statements.

1.7 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).

1.8 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.

CEREBRAL PALSY MIDLANDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 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 Charity's contractual obligations expire or are discharged or cancelled.

1.9 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.

1.10 Retirement benefits

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

1.11 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.

1.12 Irrecoverable VAT

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

1.13 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 2022

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 2022 £	Unrestricted funds 2021 £	Restricted funds general 2021 £	Total 2021 £
Donations from Trusts and Companies	52,351	44,800	10,000	54,800
Legacies received	-	50,000	-	50,000
Grants received	39,681	34,800	-	34,800
Other	3,094	3,255	-	3,255
	<u>95,126</u>	<u>132,855</u>	<u>10,000</u>	<u>142,855</u>

4 Charitable activities

	2022 £	2021 £
Statutory-Local Authority Day Care	249,169	236,289
Non Statutory - Other Income	114,529	62,579
	<u>363,698</u>	<u>298,868</u>

CEREBRAL PALSY MIDLANDS

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

5 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Income from listed investments	27,559	16,510
Interest receivable	24	61
	<u>27,583</u>	<u>16,571</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
<u>Fundraising and publicity</u>		
Other fundraising costs	1,591	744
	<u>1,591</u>	<u>744</u>

CEREBRAL PALSY MIDLANDS

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

7 Charitable activities

	2022 £	2021 £
Staff costs	332,926	291,012
Depreciation and impairment	7,830	8,876
Other staff costs	1,903	2,411
Building costs	45,402	32,718
Transport and travel	14,335	10,898
General welfare costs	33,073	33,236
Office expenditure	13,913	10,136
Insurances	3,186	3,054
Holidays and events	2,616	765
	<u>455,184</u>	<u>393,106</u>
Share of governance costs (see note 8)	26,948	19,606
	<u>482,132</u>	<u>412,712</u>
Analysis by fund		
Unrestricted funds	482,132	402,712
Restricted funds - general	-	10,000
	<u></u>	<u></u>

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Audit fees	-	2,650	2,650	2,400
Legal and professional	-	5,842	5,842	5,226
Bank charges and interest	-	285	285	423
HR professional fees	-	5,358	5,358	4,788
Investment management	-	12,813	12,813	8,769
	<u>-</u>	<u>26,948</u>	<u>26,948</u>	<u>19,606</u>
Analysed between				
Charitable activities	-	26,948	26,948	19,606
	<u>-</u>	<u>26,948</u>	<u>26,948</u>	<u>19,606</u>

Governance costs includes payments to the auditors of £2,650 (2020-£2,400) for audit fees.

9 Trustees

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

CEREBRAL PALSY MIDLANDS

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

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Direct chargeable activities	18	18
Employment costs	2022 £	2021 £
Wages and salaries	300,070	263,857
Social security costs	18,457	13,911
Other pension costs	14,399	13,244
	332,926	291,012

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

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2021	3,403	135,550	60,587	199,540
Additions	-	7,717	-	7,717
At 31 March 2022	3,403	143,267	60,587	207,257
Depreciation and impairment				
At 1 April 2021	-	127,970	52,012	179,982
Depreciation charged in the year	-	5,405	2,425	7,830
At 31 March 2022	-	133,375	54,437	187,812
Carrying amount				
At 31 March 2022	3,403	9,892	6,150	19,445
At 31 March 2021	3,403	7,580	8,574	19,557

All fixed assets are used of direct charitable purposes.

CEREBRAL PALSY MIDLANDS

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

12 Fixed asset Investments

	Listed Investments £
Cost or valuation	
At 1 April 2021	793,821
Additions	301,706
Valuation changes	1,486
Disposals	(35,733)
At 31 March 2022	<u>1,061,280</u>
Carrying amount	
At 31 March 2022	<u>1,061,280</u>
At 31 March 2021	<u>793,821</u>

	2022 £	2021 £
Investments at fair value comprise:		
Bonds	233,286	177,562
Equities	713,531	534,217
Alternative investments	97,395	61,352
Cash	17,068	20,690
	<u>1,061,280</u>	<u>793,821</u>

At September 2022, the value of investments had decreased to £919,233. The trustees believe that this decrease is due to current global market conditions and expect the markets to stabilise in the future. As the portfolio is a long term investment plan, no adjustment has been made to the value of investments at March 2022.

13 Stocks

	2022 £	2021 £
Kitchen stocks	<u>50</u>	<u>50</u>

CEREBRAL PALSY MIDLANDS

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

14 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	14,249	38,597
Other debtors	26,130	26,580
Prepayments and accrued income	10,583	8,467
	<u>50,962</u>	<u>73,644</u>

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	5,634	3,902
Trade creditors	4,546	4,939
Accruals	9,065	4,302
	<u>19,245</u>	<u>13,143</u>

16 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				
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 1 April 2021	Transfers
	£	£	£	£	£
In memory of Christopher Turner, for music room	10,000	-	(10,000)	-	-
Pension reserve	13,767	-	-	13,767	(13,767)
National Lottery grant - Music Project	-	10,000	-	10,000	-
	<u>23,767</u>	<u>10,000</u>	<u>(10,000)</u>	<u>23,767</u>	<u>(13,767)</u>

During the 2022 year a transfer of £13,767 was made to move the pension reserve to the designated fund as this better represents the nature of this fund.

CEREBRAL PALSY MIDLANDS

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

17 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:

	Movement In funds			
	Incoming resources	Balance at 1 April 2021	Transfers	Balance at 31 March 2022
	£	£	£	£
Pension fund	-	-	13,767	13,767
	-	-	13,767	13,767

18 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	19,445	-	19,445	19,557	-	19,557
Investments	1,061,280	-	1,061,280	793,821	-	793,821
Current assets/(liabilities)	319,227	10,000	329,227	568,637	23,767	592,404
	1,399,952	10,000	1,409,952	1,382,015	23,767	1,405,782

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:

	2022 £	2021 £
Within one year	1,152	1,152
Between two and five years	4,416	4,608
In over five years	-	960
	5,568	6,720

20 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

CEREBRAL PALSY MIDLANDS

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

21	Cash generated from operations	2022	2021
		£	£
	Surplus for the year	4,170	81,815
	Adjustments for:		
	Investment income recognised in statement of financial activities	(27,583)	(16,571)
	Gain on disposal of investments	(1,486)	(36,977)
	Depreciation and impairment of tangible fixed assets	7,830	8,876
	Movements in working capital:		
	(Increase)/decrease in stocks	-	200
	Decrease in debtors	22,682	21,616
	Increase/(decrease) in creditors	6,102	(35,749)
	Cash generated from operations	11,715	23,210
22	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 9 November 2022. This approval has been confirmed in the letter of representation dated 16 November 2022.

