

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**

**DIRECTORS' & TRUSTEES' REPORT & ACCOUNTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**



Charity No: 229663

Company No: 00579091

# **THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**

## **REPORT & ACCOUNTS**

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**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY  
DIRECTORS' & TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2020**

The trustees, who are also directors for the purposes for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2020.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Charity Name:** The Bobath Centre for Children with Cerebral Palsy

**Charity Number:** 229663

**Company Number:** 00579091

**Principal and Registered Office:** Tandy House, Regal Way, Watford, WD24 4YE

**Trustees:**

Robert Walder	– Chair	(since 20 April 2020)
Ann Tinklepaugh	– Vice Chair	(since 20 April 2020)
Henry Collier		
Niki Michael		
Robert Walder	(appointed 16 July 2019)	
Ann Tinklepaugh	(appointed 17 April 2019)	
Daniel Kindell	(appointed 26 October 2020)	
Katherine Major	(appointed 26 October 2020)	
Amberine Payne	(appointed 7 December 2020)	
Charles Van Berckel	(appointed 7 December 2020)	
Stuart Soloway	(resigned 4 April 2019)	
Judith Meek	(resigned 9 April 2019)	
Peter Cooke	(resigned 22 February 2020)	
Frances Ridgway	(appointed 8 May 2019, resigned 22 June 2020)	
Timothy Blanc	(appointed 16 July 2019, resigned 22 June 2020)	
Nicole Coogan	(appointed 16 July 2019, resigned 22 June 2020)	

**Senior Management Team:** Madeleine Cassidy – Chief Executive Officer (from 1 September 2019)

**Auditors:** Carston, Chartered Accountants & Statutory Auditor  
First Floor, Tudor House. 16 Cathedral Road, Cardiff, CF11 9LJ

**Bankers:** Barclays Bank plc, 53, Bedford Row, Leicestershire, LE87 2BB

**OBJECTIVES AND ACTIVITIES**

Our objectives are:

- To provide treatment for Children and Adults suffering from Cerebral Palsy ("CP") and related neurological conditions.
- To provide training and training facilities for Physiotherapists, Occupational Therapists and Speech Therapists who wish to specialise in CP and related neurological conditions.
- To undertake research into the early recognition, effects and treatment of CP

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**DIRECTORS' & TRUSTEES' REPORT *(continued)***  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Charitable Activities**

To meet its charitable objectives, the Centre operates in three distinctive areas: treatment, education and research by:

- Maintaining and further developing high quality Bobath therapy services for children, regardless of the severity or complexity of their condition, to improve their activity, independence and participation in everyday situations
- Focusing on the health and wellbeing, and therefore the quality of life of the child and their families  
Disseminating the Bobath Concept as widely as possible through providing specialist Bobath training programmes
- Organising courses promoting good practice in the treatment and management of CP, for therapists and other people working with children with CP
- Undertaking and promoting research into clinical effectiveness of treatment and publishing the outcomes and
- Promoting awareness of issues affecting children with CP and their families.

**Public Benefit**

The Trustees have taken the Charity Commission's general guidance on public benefit into consideration when furthering the charity's activities.

In accordance with the Centre's charitable objectives as outlined above, the beneficiaries are children and young people with CP and allied neurological conditions and their families through the provision of treatment, education and research.

**Trustees' assessment of public benefit**

During the financial year, the Centre continued to benefit the public by:

- Providing highly specialised and intensive treatment to children and young people with CP
- Empowering families to maximise their child's participation in everyday family, social and educational situations
- Running an Early Intervention Scheme ("EIS") for infants up to the age of 18 months. It is free and fully funded through project fundraising
- Subsidising the Helping Hand scheme which provides regular blocks of therapy at a 45% discount for children from anywhere
- Liaising closely with the child's local therapy team who frequently attend sessions during an intensive block of treatment. These sessions are viewed as an opportunity for continued professional development by community therapists
- Training therapists, doctors and other people working with children with CP and their families both from the UK and overseas, and
- Contributing to professional knowledge and researching ways of measuring efficacy of treatment in children with more severe presentations of CP.

The fees charged for our treatment and training activities do not cover the cost of their delivery and are subsidised through fundraising income and reserve funds.

**ACHIEVEMENTS AND PERFORMANCE**

The financial year 2019/20 saw a concerted effort to build stability after a sustained period of turmoil. The charity settled into its new home in Watford with enhanced bespoke facilities equipped to offer the best treatment and training to service users.

The centre's therapists continued to offer treatment to an exceptional level and two contractors were brought in to offer specialised therapy for adults. In addition, one of the Bobath therapists undertook Adult, and Selective Dorsal Rhizotomy training to increase functional strength. The Centre can continue to offer these specialised adult services as a result. A recent feedback poll recorded 100% of adults found the services useful.

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The centre also launched a new BoBaby service in December 2019 offering a free monthly play, therapy and information service for families with babies (under 2.5 years) who are at risk of neurological difficulties and experiencing developmental delays.

With the onset of the Covid-19 pandemic, the centre sought to continue its support to users by offering telephone and online services. BoBaby, Adult meet ups and some treatments have continued with the use of virtual platforms. However, lockdowns have meant that staff have been furloughed and hands-on treatment suspended. Similarly, training courses have had to be postponed or transferred to online. There has consequently had an impact on income from charitable activities.

The improvement in systems and processes has been supplemented by bringing in self-employed contractors with specialist knowledge and experience. Whilst the introduction of a new CRM has been delayed by the furloughing of staff during the pandemic, the work on improvements to processes has continued. As of January 2021 Business Activity and Process Models have been completed and a Business Requirement Specification is being drafted. Specialists at Cranfield Trust are supporting the work.

As at 1 April 2020 the board comprised 7 trustees. During the year 2 resigned followed by a further 4 following the year-end. Also following the year-end 4 trustees were appointed. We are grateful to those trustees who served with us, often over many years, and who helped steer the charity through unprecedented upheaval over recent years.

### **Treatment: Children and Adults**

During the year, we provided 1,107 sessions of treatment to children and 239 hours of treatment to adults including significant numbers of sessions of early intervention for young children and babies. Of the children's' treatment, 97 hours were provided free of charge and 453 hours were subsidized by donations from a range of supporters including a £10,000 grant provided by The Tobacco Pipe Makers and Tobacco Trade Benevolent Fund, repeating their generous donation of the previous year. Subsidised treatment was provided at a discount of 45% from the full cost.

In the financial year 2019-20, we were able to provide free and subsidised treatment to babies and children thanks to the donations received for this purpose.

### **Training**

During the year we laid on 8 courses for practitioners from the NHS, private practices and other bodies for:

- Early Assessment and Intervention
- Childhood Hemiplegia
- Foundation, Introductory and Introduction to the Bobath concept courses
- Therapy Assistants
- Quality FM Outcome Measures
- Challenge Outcome Measures

A total of 52 days training was provided to 143 therapists and other professionals. Two courses scheduled for March 2020 had to be postponed.

### **Research**

Research commenced in the year included a study into strengthening the evidence base for new and existing practices and improving the evidence base for the treatment escalation framework used in therapy planning.

### **Fundraising**

During a period of significant change Fundraising was not prioritized and was under resourced but essential strategic work was undertaken to establish a firm funding foundation for the Charity. Plans have focussed on embracing a shift in culture, opening up our work and establishing an ambitious diversification plan for new income streams, improving our links with supporters and developing relationships with our new community in Watford. The Bobath Centre has engaged a highly experienced self-employed contractor who specialises in Bid Writing and the centre is now enjoying some success. In addition, the centre has the support of a full time Fundraising & Corporate Manager.

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**DIRECTORS' & TRUSTEES' REPORT** *(continued)*  
**FOR THE YEAR ENDED 31 MARCH 2020**

## **FINANCIAL REVIEW**

The year has seen the beginnings of consolidation for the charity after a prolonged period of change and instability. The charity saw a deficit being made in the year of £335,466 (2019: £1,250,881) against income for all sources of £1,361,472 (2019: £1,482,419). This was an enormous improvement on the previous year of £915,415, with expenditure coming down by 38%.

Income from the core activities of treatment and training fell during this year. The reduction in therapy staff (from 6.7 to 3.2) led to a reduction in treatment income of 33% from £219,688 to £146,489. Training income also fell during this period from £197,359 to £109,597. Two highly subscribed courses to be held in March 2020 had to be postponed due to the Covid-19 pandemic.

Whilst the trustees believe that with new management and trustee leadership in place there is eminent scope to tailor our strategy and activities to achieving the goal of returning the charity to an operating breakeven, this has been severely impacted by the effects of Covid-19 in 2020. However, with the increase in bid writing and the advent of more online courses the charity is adapting and remains positive about its future.

### **Principal Funding Sources**

The principal source of income is treatment fees, a significant element of which was provided at either a 45% discount from the full cost or free. Training courses, which are the second principal source of income, are popular in particular with NHS and other health professionals, including those from overseas. In 2019-20, the third main source of income was fundraising. Without an employee dedicated to Event donations, this area saw a fall in income of 97%, however, with the arrival of a dedicated bid writer General Donations have increased from £28,116 to £65,098 (221%).

### **Investment powers and policy**

As of 31 March 2020 the investment policy of the Charity was to hold surplus funds with banks for a period of 3 months or more. The trustees are currently reviewing this policy with 3 main aims:

- Reducing risk by diversifying in order to minimize any impact of the Financial Services Compensation Scheme being triggered during a period of financial turbulence.
- Increasing return on surplus funds while keeping risk to minimal levels, for example by having a range of deposit periods in operation at any one time.
- Ensuring that sufficient funds are available at short notice to cover both expected working capital requirements as well as unexpected variations in income and expenditure.

### **Reserves policy**

As of 31 March 2020, total reserves totalled £2,594,166 of which £18,444 was restricted. Total unrestricted funds of £2,575,722 included £186,000 designated by the trustees. Free reserves were £1,716,524 at the year-end.

Restricted reserves have historically been made up of donations towards the provision of free or subsidised treatment and training, and for the provision of specialist equipment and research projects. Free treatment is made available for very young children and babies and underpins the Bobath philosophy that early intervention is essential to maximise the effectiveness of later treatments. Subsidised training is made available to practitioners from poorer countries. During the year, the amount of free and subsidized treatment was matched by the available funds at the start of the year. The restricted donations made during the year have been utilized and fundraising remains a key priority for the coming year.

Designated funds at 31 March 2020 comprised a Redundancy Reserve calculating the total cost of redundancy for all Bobath England staff at a theoretical date 1 year from the Balance Sheet date.

Funds also include a "negative" reserve to offset the liability shown in Creditors for the Pensions Shortfall arising on the annual revaluation of the TPT Pension Fund (which is treated as a defined benefit scheme for which individual employers may incur liability in the event of leaving the scheme or winding up).

As of 31 March 2020, the policy of the Charity was to hold reserves that had not been otherwise restricted or designated at an average level of about 3 months operating expenditure. Again, the trustees are reviewing this policy in the light of current bank and deposit account holdings.

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**DIRECTORS' & TRUSTEES' REPORT (*continued*)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**FUTURE PLANS AND DEVELOPMENTS**

The Trustees and executive team have agreed the following aims and objectives for the future:

**Treatment, Training and Research:**

1. To review, identify and implement an electronic patient record system within a CRM product.
2. Produce evidence of outcomes, case studies and a support portfolio to reinforce the importance of the Bobath method.
3. Establish a business relationship with the NHS.
4. Undertake a survey of clients / parents to establish their views on services received, opening hours, fees etc.
5. Undertake a survey of stakeholders with a view to offering therapy services for other conditions such as Down's Syndrome and degenerative disorders.
6. Start treatment packages for Selective Dorsal Rhizotomy and functional strength training.
7. Start an ongoing audit of clinical services and ensure compliance with CQC standards.
8. Extend the Early Intervention package.
9. To establish a robust outcomes measurement system for all packages.
10. To consider converting the warehouse into a neurotherapy gym or additional office space, subject to successful fundraising.
11. Implement a professional bookings system.

**Finance and Administration:**

This has been a challenging year for the charity with a relatively high level of turnover of administrative staff. Further to the Auditor's report and qualification and since the year end it has taken steps to continue to identify and improve the level of system and process efficiency. Management and governance are aware of the issues above and a number of steps were taken during 2020/21 to rectify the position.

The charity has taken the following steps to address these issues:

1. In June 2019 a part-time finance director was recruited whose role included a review and overhaul of all finance-related systems. This started with a reconfiguration of the accounting system to make it fit for purpose.
2. An experienced and qualified bookkeeper was brought in to take over the running of the day-to-day processing and this individual was assisted by an interim bookkeeper to address gaps in documentation during the 2019/20 financial year.
3. An experienced Operations Manager was recruited in April 2019 to deal with making improvements to the operational processes, including improving administration systems for treatment and training courses, contract management and team-working between the administration and therapy teams. Documentation of all processes is held and regularly updated.
4. From June 2019 an extensive exercise was undertaken to review the clients' accounts and aged debtors' list, to identify errors and omissions in bookkeeping practices.
5. In September 2020 an experienced Operations Coordinator joined the team to ensure prompt and professional handling of all interactions with potential clients / carers from the point of first contact through to the passage of data to the bookkeeper to raise invoices.
6. The appointment monitoring system was improved to allow more transparency for the therapy and finance teams.
7. The system for booking training course places has been overhauled so that attendance at a course is only possible following payment or, in the case of attendees from public sector organisations, the receipt of a purchase order. This is now being handled by the Operations Coordinator rather than the training therapists. The pandemic has led to a number of course cancellations but the charity has moved to providing many courses online in a bid to maintain some level of income.
8. The accounting policy for recognition of income is being adjusted so that payment is taken to deferred income and only transferred to income on receipt of training or treatment. This account is reviewed regularly.
9. The aged debt report is also reviewed regularly and invoices checked to ensure they have the correct references and, where applicable, PO number. The aged debt report is monitored and checked against treatment schedules to ensure that all planned treatments have been paid or need to be chased accordingly.

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10. The website is being upgraded to include patient bookings and payment, although this hasn't happened as quickly as had been hoped due to the Covid 19 pandemic. A dedicated Marketing Manager joined the charity in January 2021 to improve communications and market new training courses being offered in 2021.
11. The charity has continued supporting service users during the pandemic by offering online Weekly Welcomes, Bobaby classes and Adult Meet Ups. Feedback has been very positive.
12. A Change Management Consultant joined in October 2020 to work on specifying the new CRM system. All queries will have a unique reference which will follow each case through the documentation pathway from first query to completion of treatment or training.
13. At the time of reporting the Change Management Consultant has been offered a permanent position as Chief Operating Officer to ensure that system and process improvements continue.

As of 30 September 2019, treatment for adults was undertaken directly from the children's company. A new Charitable Incorporated Organisation "CIO" has been set up (as of 23 September 2020) and the objects clause of this CIO will specifically include people of all ages who have CP and related neurological disorders.

### **Covid-19**

In March 2020, the World Health Organisation declared the Coronavirus COVID-19 outbreak a pandemic. This led to the government taking restrictive measures to contain the spread, including widespread lockdowns, and the centre was closed from mid-March. The charity has taken steps to limit the effect of these restrictions by moving some therapy and treatment, plus training courses, to virtual platforms. Where a need was identified for 'in person' treatment the centre reopened to a limited number of service users in July. Everyone has received a virtual triage appointment before attending the centre under strict Covid secure measures. The charity has also taken steps to mitigate risk by attempting to secure other funding.

The long term impacts of the pandemic on the charity and the local and global economy as a whole is unknown, but the trustees feel they have sufficient reserves in place to continue.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The Bobath Centre for Children is a registered charity and a company limited by guarantee. It was incorporated in 1957 and its governing documents are the memorandum and articles of association signed in that year. It became a registered charity in the following year.

### **Appointment of Trustees**

Trustees are selected from those who volunteer their services. Anyone may volunteer. In determining who to appoint Trustees have regard to the qualifications and experience of both potential Trustees but also the skill-mix and possible gaps amongst the existing Trustee Board. Trustees are appointed following a majority vote to appoint at a Trustee meeting.

All Trustees give their time voluntarily and receive no benefit from the Charity. In both 2019 and 2020 no expenses were claimed by Trustees from the Charity.

This has been a period of significant change for the charity, as all but two of the trustees in place at the start of the year have since resigned and six new trustees have been appointed. In addition, within the charity, the staff restructuring has meant that many of the senior management have been made redundant.

### **Trustee induction and training**

New Trustees undergo an induction programme. All trustees are notified of relevant workshops, training days and seminars concerning issues relevant to good governance and best practice in the charitable sector.



**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
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**FOR THE YEAR ENDED 31 MARCH 2020**

### **Organisation**

The board of Trustees administers the Charity by means of Board Meetings which are convened bi-monthly. The Trustees are also Directors of the Company for Companies Act purposes. Board members are appointed by the Annual General Meeting. The Board is responsible for the strategic direction of the Charity and for policy decisions. In addition to maintaining an overview of the organisation's activities, the Board also controls HR Policies and appointments and makes all decisions involving major investment or expenditure.

A Chief Executive is appointed by the Board to manage the day-to-day running of the Charity. The Chief Executive has delegated authority for operational matters and for expenditure within the agreed annual budget and is responsible for the delivery of services to people supported by the organisation.

### **Related parties**

Related parties include The Bobath Centre for Adults (until 30 September 2019), The Bobath Centre Scotland (now Cerebral Palsy Scotland) and The Bobath Centre Wales (now Cerebral Palsy Cymru). The nature of these relationships and the values of transactions involved are set out in Note 25 to the accounts.

### **Pay policy for senior staff**

The pay policy for senior staff is set by the trustees. Historically the Charity attempted to reflect annual pay and benefit awards for senior staff in accordance with the NHS's Agenda for Change ("AfC") Terms & Conditions of employment so as to be able to recruit senior professional staff on the basis of a level playing field. The Chief Executive and other Support Staff are recruited and rewarded on the basis of perceived market values for the roles undertaken.

### **Internal Control**

The Trustees have overall responsibility for ensuring the Charity has appropriate systems of internal control across the entire organisation. Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Internal controls implemented by the Trustees include:

- The production of a strategic plan and an annual budget approved by the trustees.
- Regular consideration by Trustees of financial results, variances from budgets and forecasts.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

### **Risk Management**

The trustees maintain a risk register which is reviewed regularly for any changes in risk profile or for new or discontinued risks to which the charity is exposed. Mitigation measures are agreed where necessary for action by the Chief Executive Officer and her staff.

### **DIRECTORS' / TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The trustees (who are also directors of The Bobath Centre for Children with Cerebral Palsy for the purposes of company law) are responsible for preparing the Trustees' Annual 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 period. 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 2015 (FRS 102);

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- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


#### **AUDITORS**

A resolution was proposed and agreed at the Annual General Meeting that Carston be re-appointed as auditors of the Charity for the ensuing period.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

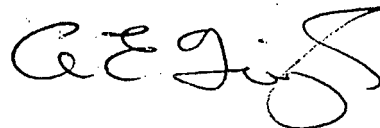
#### **APPROVAL**

This report was approved by the Board of Trustees on 31st March 2021 and signed on its behalf:



Signed: .....

Print: Robert Walder - Chair



Signed: .....

Print: Ann Tinklepaugh – Vice Chair

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY  
FOR THE YEAR ENDED 31 MARCH 2020**

**Qualified Opinion**

We have audited the financial statements of The Bobath Centre for Children with Cerebral Palsy (the 'charitable company') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of 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, except for the possible effect of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020, and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

**Basis for qualified opinion**

With regard to training and treatment income (income from charitable activities) the audit evidence available to us was limited, however improvements have continued to be made from last year to the systems. We were unable to establish, from the documentation available, whether all income from these sources has been appropriately accounted for in the financial statements. It is not practicable to quantify the financial effects, if any.

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 charitable company 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 qualified opinion.

**Emphasis of matter**

We draw your attention to note 24 (other) of the financial statements, which describes the uncertainty relating to the VAT treatment of certain services. Our opinion is not modified in respect of this matter.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY (continued)  
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In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the income from charitable activities for the year ended 31 March 2020. We have concluded that where the other information refers to the income or related balances it may be misstated for the same reason.

**Opinions on other matters prescribed by the Companies Act 2006**

Except for the possible side effect of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees annual report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

Except for the matter described in the basis for qualified opinion section of our report, in the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees annual report (incorporating the directors' report).

Arising solely from the limitation of scope of our work relating to income from charitable activities, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 7, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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FOR THE YEAR ENDED 31 MARCH 2020**

**Auditor's responsibilities for the audit of the financial statements**

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

*Carston*

Farzana Ahmed (Senior Statutory Auditor)  
For and on behalf of Carston  
Chartered Accountants & Statutory Auditor

1<sup>st</sup> Floor, Tudor House  
16 Cathedral Road  
Cardiff  
CF11 9LJ

Date: 31 March 2021

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Including Income & Expenditure Account)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<b>Income</b>					
Donations and Legacies	4	77,467	11,800	89,267	138,026
Income from Charitable Activities	5	256,086	-	256,086	417,047
Income from Other Activities	6	1,007,014	-	1,007,014	924,886
Investment Income	7	9,105	-	9,105	2,460
<b>Total Income</b>		<b>1,349,672</b>	<b>11,800</b>	<b>1,361,472</b>	<b>1,482,419</b>
<b>Expenditure</b>					
Cost of raising Funds	8	52,915	-	52,915	269,873
Expenditure on Charitable Activities	8	756,676	11,453	768,129	1,552,363
Other Expenditure	10	875,894	-	875,894	911,064
<b>Total Expenditure</b>		<b>1,685,485</b>	<b>11,453</b>	<b>1,696,938</b>	<b>2,733,300</b>
<b>Net Expenditure</b>		<b>(335,813)</b>	<b>347</b>	<b>(335,466)</b>	<b>(1,250,881)</b>
Transfer between Funds		-	-	-	-
<b>Net Movement in Funds</b>		<b>(335,813)</b>	<b>347</b>	<b>(335,466)</b>	<b>(1,250,881)</b>
Total Funds Brought Forward		2,911,535	18,097	2,929,632	4,180,513
<b>Total Fund Carried Forward</b>		<b>2,575,722</b>	<b>18,444</b>	<b>2,594,166</b>	<b>2,929,632</b>

**CONTINUING OPERATIONS**

None of the Charity's activities were acquired or discontinued during the above financial period.

**TOTAL RECOGNISED GAINS AND LOSSES**

The Charity has no recognised gains or losses other than the above movement in funds for the above financial period.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY  
BALANCE SHEET  
AS AT 31 MARCH 2020**

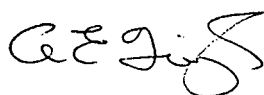
	Note	£	2020 £	£	2019 £
<b>Fixed Assets</b>					
Tangible Fixed Assets	15		701,884		729,720
<b>Current Assets</b>					
Stock			-		-
Debtors	16	80,720		44,369	
Cash at bank and in hand		<u>2,013,133</u>		<u>2,524,181</u>	
		2,093,853		2,568,550	
<b>Current Liabilities</b>					
Creditors: due within one year	17	<u>178,833</u>		<u>345,083</u>	
<b>Net Current Assets</b>			1,915,020		2,223,467
<b>Total Assets less Current liabilities</b>			<u>2,616,904</u>		<u>2,953,187</u>
Defined Benefit Pension Scheme Liability			(22,738)		(23,555)
<b>NET ASSETS</b>			<u><u>2,594,166</u></u>		<u><u>2,929,632</u></u>
 <b>Funds of the Charity</b>	 19				
<b>Restricted</b>			18,444		18,097
<b>Unrestricted Funds</b>					
Designated Funds		186,000		186,000	
General Funds		2,418,408		2,760,333	
Pension Reserve		<u>(28,686)</u>		<u>(34,798)</u>	
<b>Total unrestricted</b>			2,575,722		2,911,535
<b>Total Charity Funds</b>			<u><u>2,594,166</u></u>		<u><u>2,929,632</u></u>

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

These accounts were approved by the Board of Trustees on 31 March 2021 and were signed on its behalf by:



**Robert Walder – Chair**



**Ann Tinklepaugh – Vice**

**Company No: 00579091**

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

	2020 £	2019 £
<b>Cashflows from Operating activities</b>		
Cash generated from Operations	<u>(483,046)</u>	<u>(1,620,863)</u>
<b>Cashflows from Investing activities</b>		
Purchase of tangible Fixed Assets	(18,897)	(733,558)
Bank interest	(9,105)	(2,460)
Fixed Asset Depreciation Eliminated on Disposal	-	(9,100)
Disposal of Fixed Assets	-	4,350,689
<b>Net Cash provided by (used by) investing activities</b>	<u>(28,002)</u>	<u>3,605,571</u>
<b>Cashflows from financing activities</b>		
Cash inflows from new borrowing	-	-
<b>Change in Cash and Cash Equivalents in the period</b>	<u><u>(511,048)</u></u>	<u><u>1,984,708</u></u>
<b>Increase/Decrease in Cash &amp; Cash Equivalents</b>		
Cash & Cash Equivalents at the start of the year	2,524,181	539,473
Cash & Cash Equivalents at the end of the year	2,013,133	2,524,181
<b>Increase / (Decrease)</b>	<u><u>(511,048)</u></u>	<u><u>1,984,708</u></u>
<b>Reconciliation of Net Income / (Expenditure) to Net Cashflow from Operating Activities</b>		
Net expenditure for the year as per the Statement of Financial Activities	(335,466)	(1,250,881)
Adjusted for:		
Interest received	9,105	2,460
Depreciation	46,733	3,838
Increase / Decrease in Stock	-	2,705
Increase / Decrease in Debtors	(36,351)	232,406
Increase / Decrease in Creditors	(167,067)	(611,391)
<b>Net Cash provided by / Used in) operating activities</b>	<u><u>(483,046)</u></u>	<u><u>(1,620,863)</u></u>



**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**1. GENERAL INFORMATION**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Bobath Centre, Tandy House, Regal Way, Watford WD24 4YE.

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006, as well as applicable charity and company law.

**3. ACCOUNTING POLICIES**

**3.1 Basis of preparation of accounts**

The financial statements have been prepared on a historical cost basis. Items are recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts have been rounded to the nearest £.

The Bobath Centre for Children with Cerebral Palsy meets the definition of a public benefit entity under FRS 102.

**3.2 Preparation of accounts on a going concern basis**

The Charity's Financial Statements show a net deficit of £335,466 for the period (£1,250,881 in 2019). However, there are cash balances of £2,013,133 and free reserves of £1,716,524 so the trustees are of the view that these results are sufficient to secure the future of the Charity for the next 2 – 3 years and on this basis the accounts have been prepared on a going concern basis.

**3.3 Income recognition**

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

- (a) Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- (b) Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- (c) Grants and donations of a general nature which are not conditional on delivering certain levels of service are included as part of Grants, Donations and Legacies as shown under note 4. Performance related grants and donations which have conditions for a specific outcome are included as Income from Charitable Activities as shown in Note 5.
- (d) Investment income is included when receivable.

**3.4 Expenditure recognition and irrecoverable VAT**

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

Expenditure is classified under the following activity headings:

- (a) Cost of raising funds comprises the cost of seeking donations and legacies by holding fundraising events, creating marketing materials and maintaining a website and social media presence to ensure our supporters are kept abreast of our work, and other fundraising activities and their associated support costs.
- (b) Expenditure on charitable activities includes the costs directly associated with furthering the purposes of the Charity and associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**3.5 Allocation of support costs**

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance and administration personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 9.

**3.6 Pension Costs**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. The pension costs charge (note 14) represents contributions payable by the charity to the funds. Contributions totalling £5,948 (2019 - £11,243) were payable to the fund at the year end and are included in creditors.

**3.7 Funds structure**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Charity at the discretion of the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor-imposed conditions.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

**3.8 Tangible fixed assets and depreciation**

Tangible fixed assets (excluding investments) are stated at cost less depreciation. The cost of minor additions or those costing less than £1,000 are not capitalised.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Improvements	--	Over the life of the Lease
Computer Equipment	--	33.33% per annum on cost
Office Fixtures & Equipment	--	20% per annum on cost

**3.9 Change in accounting estimate**

At the start of the year the depreciation rate of the Computer Equipment was revised from 25% to 33.33% to better reflect the useful life of the asset.

**3.10 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**3.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term cash deposits.

**3.12 Creditors and provisions including redundancy / termination payments**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**3.13 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**3.14 Operating Leases**

Rentals payable under operating leases are charged to the SOFA as due over the life of the lease.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**3.15 Taxation**

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**3.16 Judgement and key sources of estimation uncertainty**

In the application of the company's accounting policies, the Charity is required to make judgments, 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 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

**4. Donations & Legacies**

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Events	2,644	-	2,644
General Donations	65,098	-	65,098
Treatment Donations	9,725	11,800	21,525
Equipment Donations	-	-	-
	<b>77,467</b>	<b>11,800</b>	<b>89,267</b>

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Events	87,038	-	87,038
General Donations	28,116	-	28,116
Treatment Donations	-	18,897	18,897
Equipment Donations	-	3,975	3,975
	<b>115,154</b>	<b>22,872</b>	<b>138,026</b>

**5. Income from Charitable Activities**

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Treatment	146,489	-	146,489
Training	109,597	-	109,597
	<b>256,086</b>	<b>-</b>	<b>256,086</b>

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Treatment	219,688	-	219,688
Training	197,359	-	197,359
	<b>417,047</b>	<b>-</b>	<b>417,047</b>

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**6. Other Income**

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Staff costs of Adults, Scotland and Wales	875,894	-	875,894
Miscellaneous Income	1,121	-	1,121
Exceptional income	130,000	-	130,000
	<b>1,007,014</b>	<b>-</b>	<b>1,007,014</b>

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Staff costs of Adults, Scotland and Wales	911,064	-	911,064
Miscellaneous Income	13,822	-	13,822
Exceptional income	-	-	-
	<b>924,886</b>	<b>-</b>	<b>924,886</b>

Bobath UK comprises 3 separate centres, Bobath England, Bobath Scotland and Bobath Wales. There is also a separate company, The Bobath Centre for Adults, which works from the same premises as Bobath England. Although these organisations are separate legal entities the contracts of employment of the training and treatment staff in Scotland, Wales and the Adult Centre have traditionally been employed under contracts directly with Bobath England. All Scotland, Wales and Adults staff costs are reimbursed leaving a net £Nil cost to Bobath England of the cost of employing these staff. The cost of employment of these staff are shown in Note 10, Analysis of Other Expenditure, while the Income received is shown under Other Income.

The trustees have agreed to bring to an end this arrangement and discussions on ending these arrangements are ongoing with Scotland. The TUPE transfer of staff to Bobath Wales (now Cerebral Palsy Cymru) completed in February 2021.

Miscellaneous Income comprised £130,000 received as part of a Call Back clause in the sale of property in 2018.

**7. Investment Income**

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Bank interest	9,105	-	9,105

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Bank interest	2,460	-	2,460

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**8. Analysis of Expenditure on Raising Funds & Charitable Activities**

	Raising Funds	Charitable Activities			Total 2020
		Treatment		Training	
	Unrestricted	Unrestricted	Restricted	Unrestricted	
	£	£	£	£	£
Staff costs	25,764	158,474	11,453	122,452	318,143
Other direct costs	2,953	1,948	-	11,121	16,022
Support costs (Note 9)	23,360	257,115	-	189,549	470,023
Governance costs (Note 9)	838	9,220	-	6,797	16,856
	<b>52,915</b>	<b>426,757</b>	<b>11,453</b>	<b>329,919</b>	<b>821,044</b>

	Raising Funds	Charitable Activities			Total 2019
		Treatment		Training	
	Unrestricted	Unrestricted	Restricted	Unrestricted	
	£	£	£	£	£
Staff costs	131,878	469,506	17,925	278,001	897,310
Other direct costs	21,196	20,406	70,348	24,326	136,276
Support costs (Note 9)	114,933	434,120	-	226,997	776,050
Governance costs (Note 9)	1,866	7,048	-	3,686	12,600
	<b>269,873</b>	<b>931,080</b>	<b>88,273</b>	<b>533,010</b>	<b>1,822,236</b>

**9. Support Costs**

The charity identifies and classifies support costs into general support (back office etc.) and governance. These costs are then apportioned separately between the key activities undertaken in the year (see Note 8). The basis of apportionment is estimated usage of support function by each activity.

	General Support	Governance	Total 2020	Total 2019
	£	£	£	£
Staff Costs	123,250	-	123,250	433,647
Premises Expenses	120,738	-	120,738	137,092
Office & IT costs	42,785	-	42,785	70,076
Legal & Professional Fees	129,894	-	129,894	76,615
Other Costs	53,356	-	53,356	58,620
Audit Fees	-	16,856	16,856	12,600
	<b>470,023</b>	<b>16,856</b>	<b>486,879</b>	<b>788,650</b>

**10. Other Expenditure**

	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Staff costs of Adults, Scotland & Wales	875,894	-	875,894
	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2019</b>
	£	£	£
Staff costs of Adults, Scotland & Wales	911,064	-	911,064

Other Expenditure includes the staff costs of the other centres, as recharged. See note 6 for details.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**FOR THE YEAR ENDED 31 MARCH 2020**

**11. Net Expenditure for the Year**

	Total 2020 £	Total 2019 £
<b>This is stated after charging:</b>		
Depreciation	46,733	3,838
Loss on sale of Freehold property	-	5,378
Operating Leases	72,500	36,250
Auditors remuneration	16,856	12,600

**12. Trustee Remuneration**

No trustee received any remuneration in the year (2019: £Nil) nor were any expenses reimbursed (2019: £Nil).

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**13. Staff Costs & Numbers**

	Total 2020	Total 2019
	£	£
Salaries & Wages	1,085,321	1,916,087
Social Security Costs	101,772	162,583
Pension Costs	108,379	91,652
Temporary Staff	21,814	71,699
Sub total	1,317,286	2,242,021
Recharged to Adults, Scotland & Wales	(875,894)	(911,064)
Salary Cost of Bobath England Only	441,392	1,330,957

The average number of full-time equivalent staff for Bobath England only (including casual and part time staff) was as follows:

	2020	2019
Treatment	3.2	6.7
Training	1.0	1.0
Fundraising	1.0	1.3
Support	6.3	3.1
	11.5	12.1
Average Numbers of Employees	12	13

During the year employee numbers rose from 9 to 12 by 31 March 2020

The number of employees whose emoluments, including redundancy payments, for the year exceeded £60,000 fell within the following ranges:

	2020	2019
£60,000 - £69,999	0	3
£70,000 - £79,999	0	3
£80,000 - £89,999	0	1
£100,000 - £109,999	0	1
£180,000 - £189,999	0	1

Of the 9 employees earning above £60,000 in 2019, All left as part of a restructure programme during the year. At the year-end the key management personnel comprised the Chief Executive Officer. Employee benefits including employer pension contributions of the key management personnel totalled £90,394.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**14. Pensions**

The charity contributes towards two defined benefit pension schemes: The NHS England scheme, to which it has access as a qualifying independent body, and TPT (formerly known as The Pensions Trust). Both schemes are actuarially revalued every three years with interim revaluations in the intervening years.

*The NHS England Scheme*

Any shortfall in the value of current investments and anticipated future returns on the one hand and current and expected future liabilities in the NHS scheme must be made good by an increase in the Employers' contribution rate. This 2019-20 "underlying" rate was set at 20.88% but the actual rate was kept at the previous year's level (14.88%) with the difference being made good by HM Treasury. The Employers' contribution rate for 2020-21 has been confirmed to remain unchanged.

*The Pension Trust - The Growth Plan*

The company participates in the scheme; a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 April)
---------------------------------------	---

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1 April)
---	---

From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1 April)
---	---

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.



**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**14. Pensions (continued)**

<b>Pension Revaluation</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Provision at start of period (based on present value)	34,798	90,740
Unwinding of discount factor	441	1,182
Deficit contributions - paid	(5,775)	(11,659)
Remeasurement - impact of any change in assumption	(778)	318
Remeasurement - amendments to the contribution schedule	-	(45,783)
<b>Provision at the end of the period (based on present value)</b>	<b>28,686</b>	<b>34,798</b>

**Assumptions**

	<b>31 Mar 2020 % per annum</b>	<b>31 Mar 2019 % per annum</b>	<b>31 Mar 2018 % per annum</b>
Rate of discount	<u>2.53</u>	<u>1.39</u>	<u>1.71</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount to the same recovery plan contributions.

<b>Pension Split</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Within one year	5,948	11,243
After 1 year	22,738	23,555
<b>Total</b>	<b>28,686</b>	<b>34,798</b>

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**15. Tangible Fixed Assets**

	Leasehold Improvements £	Equipment £	Furniture & Fixtures £	Total £
<b>Cost</b>				
At 1 April 2019	709,494	24,064	-	733,558
Additions	14,913	-	3,984	18,897
Disposals	-	-	-	-
At 31 March 2020	724,407	24,064	3,984	752,455
<b>Accumulated Depreciation</b>				
At 1 April 2019	-	3,838	-	3,838
Charge for the year	38,176	8,021	536	46,733
Eliminated on Disposals	-	-	-	-
At 31 March 2020	38,176	11,859	536	50,571
<b>Net Book Value</b>				
At 31 March 2020	686,231	12,205	3,448	701,884
At 31 March 2019	709,494	20,226	-	729,720

**16. Debtors**

	Total 2020 £	Total 2019 £
Trade Debtors	45,387	18,213
Other Debtors	-	2,716
Prepayments and Accrued Income	35,334	23,440
	80,720	44,369

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**17. Creditors: Amounts falling due within one year**

	Total 2020 £	Total 2019 £
Trade Creditors	14,767	79,445
Accruals & Deferred Income	59,096	93,863
Other Creditors	74,347	132,150
Taxation & Social Security	24,674	28,382
Pension Deficit Liability	5,948	11,243
	<u>178,833</u>	<u>345,083</u>

**Analysis of Deferred Income**

	2020 £
Brought forward at 1 April 2019	71,518
Released in 2019-20:	
Income in Advance of Treatment	(6,586)
Income in Advance of Training Courses	(62,288)
Funds raised in Advance of Events	(2,644)
Deferred in 2019-20:	
Income in Advance of Treatment	4,585
Income in Advance of Training Courses	39,275
<b>Balance at 31 March 2020</b>	<u><b>43,860</b></u>

**18. Creditors: Amount falling due after more than one year**

	Total 2020 £	Total 2019 £
Pension Deficit Liability	<u>22,738</u>	<u>23,555</u>

The Pension Liability is the present value of the liability to TPT Pensions which from a change in regulations in 2004 has fallen to be classed as a defined benefit pension scheme. The figure is calculated annually by the scheme actuary. Between 31 March 2017 and 31 March 2019 the value of this provision has fallen from £101,852 to £28,686 in total, of which £5,948 is classed as a current liability with the remaining balance treated as non-current. Further details can be found in note 14.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**19. Movements in Funds**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers between Funds £	Balance at 31 March 2020 £
<b><u>Restricted Funds</u></b>					
Treatment Fund	-	11,800	(11,453)	-	347
Training Fund	9,025	-	-	-	9,025
Research Fund	-	-	-	-	-
Equipment Fund	9,072	-	-	-	9,072
<b>Total restricted funds</b>	<b>18,097</b>	<b>11,800</b>	<b>(11,453)</b>	<b>-</b>	<b>18,444</b>
<b><u>Unrestricted Funds</u></b>					
<b><u>Designated Funds</u></b>					
Treatment	-	-	-	-	-
Training	-	-	-	-	-
Redundancy Reserve	186,000	-	-	-	186,000
	186,000	-	-	-	186,000
<b><u>General Funds</u></b>					
Fixed Asset Reserve	729,720	-	(27,836)	-	701,884
Free reserves	2,030,613	1,349,672	(1,663,761)	-	1,716,524
	2,760,333	1,349,672	(1,691,597)	-	2,418,408
Revaluation Reserve	-	-	-	-	-
Pension Reserve	(34,798)	-	6,112	-	(28,686)
<b>Total Unrestricted Funds</b>	<b>2,911,535</b>	<b>1,349,672</b>	<b>(1,685,485)</b>	<b>-</b>	<b>2,575,722</b>
<b>Total Charity Funds</b>	<b>2,929,632</b>	<b>1,361,472</b>	<b>(1,696,938)</b>	<b>-</b>	<b>2,594,166</b>

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**19. Movements in Funds (continued)**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers between Funds £	Balance at 31 March 2020 £
<b><u>Restricted Funds</u></b>					
Treatment Fund	17,481	18,897	(67,011)	30,633	-
Training Fund	9,025	-	-	-	9,025
Research Fund	17,925	-	(17,925)	-	-
Equipment Fund	8,434	3,975	(3,337)	-	9,072
<b>Total restricted funds</b>	<b>52,865</b>	<b>22,872</b>	<b>(88,273)</b>	<b>30,633</b>	<b>18,097</b>
<b><u>Unrestricted Funds</u></b>					
<b><u>Designated Funds</u></b>					
Treatment	24,887	-	-	(24,887)	-
Training	21,483	-	-	(21,483)	-
Redundancy Reserve	-	-	-	186,000	186,000
	46,370	-	-	139,630	186,000
<b><u>General Funds</u></b>					
Fixed Asset Reserve	1,597,415	-	-	(867,695)	729,720
Free reserves	(169,571)	1,459,547	(2,645,027)	3,385,664	2,030,613
	1,427,844	1,459,547	(2,645,027)	2,517,969	2,760,333
Revaluation Reserve	2,744,174	-	-	(2,744,174)	-
Pension Reserve	(90,740)	-	-	55,942	(34,798)
<b>Total Unrestricted Funds</b>	<b>4,127,648</b>	<b>1,459,547</b>	<b>(2,645,027)</b>	<b>(30,633)</b>	<b>2,911,535</b>
<b>Total Charity Funds</b>	<b>4,180,513</b>	<b>1,482,419</b>	<b>(2,733,300)</b>	<b>-</b>	<b>2,929,632</b>

**Description, nature and purpose of restricted funds:**

The Treatment Fund exists to provide free or subsidised treatment to babies via the Early Intervention scheme.

The Training Fund exists to provide training to therapists from under-resourced countries in the Bobath concept as well as to train new tutors.

The Equipment Fund exists to fund the purchase of equipment necessary for treatment or new research.

**Description, nature and purpose of designated funds:**

The Fixed Asset Reserve represents the book value of fixed assets at the balance sheet date.

The Pension Reserve represents the total value of the pensions deficit liability as shown by notes 14 and 15.

The Redundancy Reserve is an amount set aside to meet the redundancy costs of all existing members of staff at a theoretical point exactly 12 months from the year end.

**Description, nature and purpose of General Funds:**

The General reserve represents funds available at the discretion of the Trustees after allowing for all the designated funds and is equal to the free reserves of the charitable company.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**20. Analysis of Net Assets between Funds**

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Fixed Assets	701,884	-	701,884
Current Assets	2,075,409	18,444	2,093,853
Current Liabilities	(178,833)		(178,833)
Creditors due after more than one year	(22,738)	-	(22,738)
	<b>2,575,722</b>	<b>18,444</b>	<b>2,594,166</b>

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Fixed Assets	729,720	-	729,720
Current Assets	2,550,453	18,097	2,568,550
Current Liabilities	(345,083)		(345,083)
Creditors due after more than one year	(23,555)	-	(23,555)
	<b>2,911,535</b>	<b>18,097</b>	<b>2,929,632</b>

**21. Operating Lease Commitments**

Lease payments due under operating leases:	<b>2020</b>	2019
	£	£
Within one year	<b>72,500</b>	72,500
In two to five years	<b>290,000</b>	290,000
Over 5 years	<b>942,500</b>	1,015,000
	<b>1,305,000</b>	1,377,500

The lease is in respect of the leasehold premises acquired under a 20 year lease with 5 yearly tenant only break clauses as noted in note 15 above.

The lease payments recognised as an expense in the year to 31 March 2020 are £72,500 (2019 £36,501).

**22. Capital Commitments**

At 31 March 2020 the Charity had no capital commitments.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**23. Related Party Transactions**

The Centre seconds therapists to Bobath Wales (a company limited by guarantee) and Bobath Scotland (a Scottish Charitable Incorporated Organisation) for which both organisations reimburse Bobath England fully.

A transfer of staff via a TUPE arrangement has been completed with Bobath Wales as at February 2021.

In addition all three organisations provide some joint training courses for which costs each organisation bears is recovered fully from the courses.

Niki Michael, a trustee of the Centre, is the parent of a service user.

Ann Tinklepaugh, a trustee of the Centre, made a donation during the year for Core Costs.

At 31 March 2020 Bobath England was owed £17,360 from Bobath Wales (2019: England owed Wales £3,998). At the same date Bobath England owed Bobath Scotland £1,240 (2019: £nil).

Key management personnel are also related parties for the purposes of this disclosure. Employee benefits including employer pension contributions of the key management personnel were £90,394.

The total value of related party transactions comprises:

	2020 £	2019 £
The Adult Centre	-	81,744
Bobath Scotland	251,415	312,209
Bobath Wales	<u>624,478</u>	<u>600,734</u>
Subtotal	875,893	994,687
Thames Information Systems Ltd	-	(61,481)
	<u>875,893</u>	<u>933,206</u>

**24. Post Balance Sheet Events**

***Covid-19***

In March 2020, the World Health Organisation declared the Coronavirus COVID-19 outbreak a pandemic. This led to the government taking restrictive measures to contain the spread, including widespread lockdowns, and the centre was closed from mid-March. The charity has taken steps to limit the effect of these restrictions by moving some therapy and treatment, plus training courses, to virtual platforms. Where a need was identified for 'in person' treatment the centre reopened to a limited number of service users in July. Everyone has received a virtual triage appointment before attending the centre under strict Covid secure measures. The charity has also taken steps to mitigate risk by attempting to secure other funding.

The long term impacts of the pandemic on the charity and the local and global economy as a whole is unknown, but the trustees feel they have sufficient reserves in place to continue.

***Other***

The charity has made supplies of medical staff and training and there is uncertainty relating to the VAT treatment of these services. The charity has engaged services of a legal specialist who are dealing with the matter. The potential impact on the charity's accounts has not been quantified at this stage. However, any potential liabilities due to HMRC will be offset by a corresponding debtor in relation to any VAT being recharged.