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**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

Audited Financial Statements for year ended 31 March 2011

Company Registration Number 5386416
Charity Number 1110076

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COMPANIES HOUSE



Saint & Co

Chartered Accountants & Registered Auditors

**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

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**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name Cumbria Cerebral Palsy

Charity number 1110076

Company registration number 5386416

Registered office 22 Spencer Street
Carlisle
Cumbria
CA1 1BG

Trustees Mrs G Wykes
Mr A Taylor
Mrs A J Carr
Mr B Earley
Mrs J Hine
Mrs J McLauchlan
Mr B Reville
Mrs G I C Whalley
Major A J R Harrison
Mr A Darroch
Mr C Scott-Buccleugh
Mrs E Thomson
Mr G Moffat
Mr J Harper

Secretary Ms L Culley

General manager Ms L Culley

Support work team leader Mrs K Tebbett

Auditor Saint & Co
Chartered Accountants
& Statutory Auditor
Sterling House
Wavell Drive, Rosehill
Carlisle, Cumbria
CA1 2SA

Bankers HSBC Plc
English Street
Carlisle
Cumbria
CA3 8JT

**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS *(continued)*

Solicitors

Cartmell Shepherd
Viaduct House
Victoria Viaduct
Carlisle
Cumbria
CA3 8EZ

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2011. This report is prepared in accordance with the small company regime (section 419(2) of the Companies Act 2006).

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on pages 1 to 2 of the financial statements.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Mrs G Wykes
Mr A Taylor
Mrs A J Carr
Mr F Morgan
Mr B Earley
Mrs J Hine
Mrs J McLauchlan
Mr B Reville
Miss C M Stevens
Mrs G I C Whalley
Miss K O'Beirne
Major A J R Harrison
Mr A Darroch
Mr C Scott-Buccleugh
Mr N Ganley
Mrs E Thomson
Mr G Moffat
Mr J Harper

Mr F Morgan retired as a trustee on 12 October 2010
Miss C M Stevens retired as a trustee on 23 September 2010
Miss K O'Beirne retired as a trustee on 30 September 2010
Mr N Ganley retired as a trustee on 30 September 2010

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Cumbria Cerebral Palsy is a company limited by guarantee incorporated on the 9th March, 2005 and registered as a charity on the 28th June, 2005. The company was established under a Memorandum and Articles of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

Recruitment and Appointment of Trustees

There is a maximum of twelve elected Trustees and eight co-opted Trustees. Elected Trustees shall be elected or re-elected for a term of three years concluding at the third Annual General Meeting after their election. Any elected Trustees retiring at any Annual General Meeting may, if willing to stand, be proposed for re-election.

Co-opted Trustees shall not be required to retire by rotation but shall cease to hold office at the expiry of their specified term of office. Any vacancy arising amongst the Trustees may be filled by resolution of the Board.

Due to the nature of the charity's work, the Trustees seek to ensure the needs of this group are reflected on the Board. The traditional business, social care and health are well represented on the Board in an effort to maintain a broad skill mix.

Trustee Induction

Prior to election potential Trustees complete an application form indicating the areas of the charity's work they are particularly interested in and the skills they feel they can offer to the Board of Trustees. This is followed up with a meeting with the Chair and senior staff of the organisation for a general introduction to the work of the organisation after which there is an opportunity to meet existing Trustees. New and existing Trustees are given the chance to attend training courses usually organised by the voluntary sector within Cumbria. A policy setting out the procedures for the selection of Trustees is in place. A copy of the Memorandum and Articles of Association and the latest financial statements are distributed to the Trustees.

Organisational Structure

Cumbria Cerebral Palsy is an independent charity raising money to provide services for people with cerebral palsy and similar conditions primarily, but not exclusively, within Cumbria.

The Trustees are responsible for the overall management and control of the organisation and meet six times during the year to receive reports from the senior management team and other staff members and sub-committees. Extra meetings are arranged as and when required. The day to day management of the charity is delegated by the Trustees to the senior management team who report to the Trustees.

Trustees are sought in a variety of ways including recommendation from the branch network, from existing Trustees and supporters. The Board of Trustees seek to ensure that the needs of the charity are appropriately reflected through the diversity of the Trustee body.

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

The Board of Trustees delegates key areas of activity to sub-committees who submit reports to the Board. These committees have specific terms of reference and include co-opted members in addition to Trustees.

The sub-committees during the year were

Support Work Action – has responsibility for overseeing the community work carried out by five part-time support workers throughout Cumbria. This committee meets bi-monthly and includes representation from the Board of Trustees, staff and families who receive support from the organisation.

Scalesceugh Hall Management Disbanded on the closure of Scalesceugh Hall on 30th September, 2010.

Relocation Committee Disbanded when the new accommodation was completed on 30th September, 2010.

Related Parties

Cumbria Cerebral Palsy is affiliated to SCOPE for the purposes of sharing information and receiving up-to-date information and is in membership with various other organisations within Cumbria.

Risk Management

The Trustees conduct ongoing reviews of the major risks to which the charity is exposed. Systems or procedures have been established, where appropriate, to mitigate these risks. Internal control systems are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with Health and Safety of staff, volunteers, clients and visitors to the day centre, head office and charity shops.

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

OBJECTIVES AND ACTIVITIES

Purpose and Aims

Our Charity's purposes as set out in the objects contained in the Company's Memorandum of Association are to

- promote the care and welfare of those with cerebral palsy and similar conditions, primarily, but not exclusively within Cumbria, by providing services, support and training to those individuals including, but not restricted to services relating to health care, welfare, medical treatment, education, employment, accommodation and advice

The aims of our charity are to support children and adults with cerebral palsy, their families and carers, living in Cumbria, to ensure individuals have choices to maximise their opportunities

Ensuring our work delivers our aims

We review our aims, objectives and activities on an ongoing basis throughout the year. We monitor our achievements which enables us to move forward with confidence knowing our services are meeting the needs of the people for whom the charity is set up to help

The focus of our work

Our main objectives for the year continue to be the support of individuals with cerebral palsy and their families. We do this by

- * providing a family support service throughout the county
- * ensuring people with cerebral palsy have access to up-to-date information
- * Up until September 2010 by running a residential care home for adults operating a Skills Centre for day attendees which focuses on independent living skills
- * Providing a community based day centre for adults with cerebral palsy and associated disabilities
- * working in partnership with statutory and voluntary organisations to secure the widest range of services which best match the needs of individuals with physical disabilities

ACHIEVEMENTS AND PERFORMANCE

How our activities deliver public benefit

Our main activities and who we try to support are described below. All of our charitable activities focus on supporting individuals with cerebral palsy and are undertaken to further our charitable purpose for public benefit.

Who used and benefited from our services?

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

Our funding limits the services we provide to those resident in Cumbria. Demand for our services is made by referrals from medical and social services sources, self referral or by parents. Following an initial visit by one of our support workers, the future level of support is mutually agreed. All our services are provided free to our clients and are funded through the charity's own fund-raising activities.

Counselling, advice and information

Our family support work service offers confidential support to children and adults with cerebral palsy, their families and carers. Areas of work we have been involved with during the year include educational issues where a child is assessed for the level of support they require to attend school, health matters and partnership working with team around the family, advice on a wide range of issues from benefit entitlement to securing finance for specialist equipment not available from statutory sources, representing parents' concerns on various committees, representing physical disability as part of Every Child Matters legislation and working as part of Parents in Partnership to look at the future structure of short breaks for families within Cumbria. In addition a main development during the year has been the organising of Activity days at an outward bound centre to provide individuals an opportunity to participate in a range of activities from caving to canoeing as part of confidence building. These events also bring parents and carers together which is one of the difficulties in such a sparsely populated county.

The family support team have had an active caseload of 218 individuals, all of whom have received a service from the charity during the year.

A quarterly newsletter is produced and circulated to 350 individuals and professionals, leaflets on cerebral palsy and how we can help have been distributed by our support workers and volunteers throughout the county. The charity also has its own website which is regularly updated with information for families to download and with details of our activities and how we can help.

Residential and Day Care Services

Until 30th September, 2010, the charity owned and operated a residential care centre, Scalesceugh Hall, for adults aged over 19 years which also offered day care services for four people living locally. After years of planning with the residents, their parents and staff the Home was closed at the end of September, 2010, and the residents moved into new purpose-built accommodation which Cumbria Cerebral Palsy significantly invested in to ensure the buildings provided for the needs of people with physical disabilities. A new day centre formed part of this investment by Cumbria Cerebral Palsy and this is run under a contract with the Local Authority and is available for the people who formerly lived at Scalesceugh Hall in addition to providing for people who live in the community.

Scalesceugh Hall was sold in February, 2011.

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

Partnership Working

We maintain close working relationships with a number of statutory and voluntary agencies involved in providing support for people with cerebral palsy and similar disabilities. These include local authorities, Every Child Matters strategic working groups, CACVS and Volunteer Bureaus, Cumbrian Carer's organisations, Parent Partnership support groups, Cumbria Disability Network, Physiotherapists, Occupational Therapists and Local Authority social workers.

Training

An on-going training programme is in place for our family support workers, head office staff, and care staff working in our day care services and charity shop staff. All day care staff have either achieved or are working towards NVQ level 2 or 3 in health and social care with the day centre Manager currently undertaking the Leadership and Management Award (formerly the Registered Manager's Award). Training areas undertaken during the year include Safeguarding for children and adults, accredited health and safety training level 2, risk assessment training level 3, medication training, food hygiene level 2, infection control and two staff have been successful in training as Moving and Handling Keyworkers.

Volunteers

We would like to thank all the volunteers who work so hard to promote the objects of the charity and to raise funds to support our activities.

FINANCIAL REVIEW

Principal funding sources

Aside from the income generated by operating five charity shops and the charity's own funding raising activities which supports the cost of providing the family support service, there is income generated for the day centre by a contract between Cumbria Cerebral Palsy and the Local Authority. Budgeted expenditure continues to be tightly controlled and monitored by the Trustees on a monthly basis.

As a result of increasing constraints on local authority expenditure, the charity has to seek funding from a much broader range of sources in addition to its own fundraising activities. The appointment of a person with the skills to process applications to Charity Trust Funds has enabled the charity to provide a range of activities it otherwise would not have had the resources to deliver. The trustees remain very grateful and acknowledge the support from the Henry Smith Charitable Trust whose on-going support in a three year package has enabled the charity to have part time family support work cover exclusively for the Barrow area, the funding from the Clothworkers Trust and Hedley foundation which assisted with specialist equipment within the new accommodation, and the local neighbourhood forums.

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

Investment Policy

Our policy should any surplus funds become available within Cumbria Cerebral Palsy is to seek advice from an investment advisor for consideration by the Board of Trustees taking into account any reduction in budgeted income

Reserves Policy

The Trustees have examined the charity's requirements for reserves in the light of the main risks to the charity. It has established a policy whereby unrestricted funds held should be between 3 – 6 months of expenditure. The reserves are needed to meet the working capital requirements of the charity and the Trustees are confident that at this level they should be of a level to continue the current activities of the charity in the event of a significant drop in funding.

Pensions

The audited accounts include the full adoption of accounting standard FRS 17. The Trustees have endorsed the policy of Cumbria County Council with regard to pension deficit in repaying the current deficit in Cumbria Cerebral Palsy's pension scheme over a 20 year period by varying the level of employer contributions.

Restricted Funds

The deficit on the pension fund of £219,000 means we now have a deficit in the restricted funds. As mentioned above, the Trustees have endorsed the policy of Cumbria County Council and have increased the employer's contribution to 22.9% in order to reduce, or remove, the pension deficit over the 20 year period.

PLANS FOR FUTURE PERIODS

With the sale of Scalesceugh Hall in February, 2011, the Trustees carried out a review of the services provided by the charity. Following advice from the Charity Commission, they decided that from 1st April, 2011, all the fundraising activities of Cumbria Cerebral Palsy and the provision of the community support to people living at home, will be provided by a new charity called CP Cumbria. To this end the office in Spencer Street, Carlisle was transferred into the charity. This new charity will have charity registration and will be constituted as a limited company. Cumbria Cerebral Palsy will continue as the "contract" arm of our current operations.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Cumbria 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).

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

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,

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 proper 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. The trustees 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

AUDITOR

Saint & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
22 Spencer Street
Carlisle
Cumbria
CA1 1BG

Signed on behalf of the trustees



Mr B Earley
Chairman

23 July 2011

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUMBRIA CEREBRAL PALSY (continued)

YEAR ENDED 31 MARCH 2011

We have audited the financial statements of Cumbria Cerebral Palsy for the year ended 31 March 2011 on pages 13 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of section 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.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also the directors of Cumbria Cerebral Palsy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 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.

**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUMBRIA
CEREBRAL PALSY** *(continued)*

YEAR ENDED 31 MARCH 2011

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit

Sterling House
Wavell Drive, Rosehill
Carlisle, Cumbria
CA1 2SA

23 July 2011

LINDSAY FARRER (Senior Statutory
Auditor)
For and on behalf of
SAINT & CO
Chartered Accountants
& Statutory Auditor

**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND
EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Incoming resources from generating funds					
Voluntary income	2	70,494	-	70,494	104,028
Activities for generating funds	3	231,437	-	231,437	235,239
Investment income	4	147	-	147	1,969
Incoming resources from charitable activities	5	-	592,423	592,423	968,050
Other incoming resources	6	-	859,321	859,321	10,107
TOTAL INCOMING RESOURCES		302,078	1,451,744	1,753,822	1,319,393
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading cost of goods sold and other costs	7	(154,957)	-	(154,957)	(154,805)
Charitable activities	8	(126,792)	(1,439,398)	(1,566,190)	(1,035,086)
Governance costs	9	(31,792)	(27,435)	(59,227)	(33,180)
TOTAL RESOURCES EXPENDED		(313,541)	(1,466,833)	(1,780,374)	(1,223,071)
NET (EXPENDITURE)/INCOME FOR THE YEAR	10	(11,463)	(15,089)	(26,552)	96,322
OTHER RECOGNISED GAINS AND LOSSES					
Actuarial gains/(losses) in respect of defined benefit pension schemes		30,571	104,429	135,000	(223,000)
NET MOVEMENT IN FUNDS		19,108	89,340	108,448	(126,678)
RECONCILIATION OF FUNDS					
Total funds brought forward		207,716	(200,984)	6,732	133,410
TOTAL FUNDS CARRIED FORWARD		226,824	(111,644)	115,180	6,732

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 15 to 27 form part of these financial statements

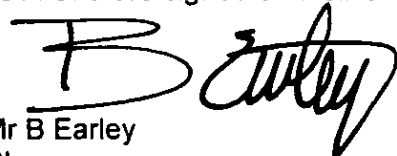
**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 MARCH 2011

	Note	2011 £	£	2010 £
FIXED ASSETS				
Tangible assets	13		19	290,279
CURRENT ASSETS				
Stocks	14	1,500		2,163
Debtors	15	218,123		33,170
Cash at bank and in hand		147,563		173,814
		<u>367,186</u>		<u>209,147</u>
CREDITORS: Amounts falling due within one year	16	<u>(33,025)</u>		<u>(91,694)</u>
NET CURRENT ASSETS			<u>334,161</u>	<u>117,453</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>334,180</u>	<u>407,732</u>
NET ASSETS EXCLUDING PENSION LIABILITY			<u>334,180</u>	<u>407,732</u>
DEFINED BENEFIT PENSION SCHEME LIABILITY	17		<u>(219,000)</u>	<u>(401,000)</u>
NET ASSETS INCLUDING PENSION LIABILITY			<u>115,180</u>	<u>6,732</u>
FUNDS				
RESTRICTED INCOME FUNDS:				
General funds	19	(64,434)		(49,345)
Pension reserve	17	<u>(47,210)</u>		<u>(151,639)</u>
TOTAL RESTRICTED INCOME FUNDS			<u>(111,644)</u>	<u>(200,984)</u>
UNRESTRICTED INCOME FUNDS:				
Unrestricted income funds excluding pension liability	20	232,614		244,077
Pension reserve	17	<u>(5,790)</u>		<u>(36,361)</u>
TOTAL UNRESTRICTED INCOME FUNDS			<u>226,824</u>	<u>207,716</u>
TOTAL FUNDS			<u>115,180</u>	<u>6,732</u>

These financial statements were approved by the members of the committee on the 23 July 2011 and are signed on their behalf by


Mr B Earley
Chairman

Company Registration Number 5386416

The notes on pages 15 to 27 form part of these financial statements.

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

Donations

Donations, legacies and similar incoming resources are accounted for on a receipts basis unless it is reasonably certain that an amount will be received

Grants

Grants are accounted for on an accruals basis

Legacies

All legacies are accounted for on an accruals basis and where possible are invested

Income from shops

Income from shops is accounted for on a receipts basis

Investment assets and income

Investments are stated at market value. Increases/decreases to the market value of the investments are taken through the statement of financial activities

Investment income is recognised in the accounts when it is received

Deferred income

Incoming resources are deferred in order to apply the matching principle with the income against the expense

Fund accounting

Income received for a purpose specified by the donor is accounted for as restricted to that purpose. Other income, not so specified, is treated as available for general purposes, or unrestricted

Cumbria Cerebral Palsy holds both undesignated and designated funds and has a policy in place to transfer from one fund to another when required to assist with operating procedures

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

Resources expended

Expenditure is included on an accruals basis. Where expenditure relates to a specific project in accordance with the wishes of the Donor it is shown as restricted.

Fixed assets

All fixed assets are initially recorded at cost. Land and Buildings and major items of equipment are capitalised within these accounts.

Fixed assets costing less than £300 are not capitalised, but written off to the Income and Expenditure Account as incurred.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	Over 5 to 7 years
Motor Vehicles	-	Over 5 years
Building Expenditure	-	Over 12 to 15 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

Pension costs are accounted for by the charity in accordance with FRS 17 - Retirement Benefits.

Under FRS 17, pension scheme assets are measured using realisable values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability.

Any pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full and presented on the face of the balance sheet. The movement in the scheme surplus/deficit is split between operating and financing items in the profit and loss account and the statement of total recognised gains and losses.

The full service cost of the pension provision is charged to operating profit. The net impact of the unwinding of the discount rate on scheme liabilities and the expected return of the scheme assets is charged/credited to "other finance costs".

Any difference between the expected return on assets and that actually achieved is charged through the statement of total recognised gains and losses. Similarly, any differences that arise from experience or assumption changes are charged through the statement of total recognised gains and losses. The combined figure is commonly referred to as the actuarial gain/loss.

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

Basis of allocation of costs to sofa

Direct Charitable Expenditure.

Direct charitable expenditure includes all costs associated with operating the primary activities of the charity

The costs include wages, food, activity and premises costs and directly attributable telephone and sundry costs, including depreciation on assets directly used for charitable purposes

Management and Administration Expenditure

This is expenditure not directly related to the charitable activities of the charity It includes the cost of administration staff wages, running of the office and any legal fees and depreciation on office equipment

Value added tax

Value Added Tax is payable on certain shop income and is recoverable by the charity on shop and society purchases Value Added Tax is not recoverable by the charity on Scalesceugh Hall, and as such is included in the relevant costs in the Statement of Financial Activities

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations				
Subscriptions and donations	23,894	—	23,894	24,245
Collection boxes and dolls	1,832	—	1,832	2,270
Special efforts	8,564	—	8,564	12,052
Legacies				
Legacies	19,133	—	19,133	46,500
Grants receivable				
Henry Smith Charity	8,000	—	8,000	9,000
Other income				
Moneyspinner income	4,745	—	4,745	3,791
Childrens resource fund	886	—	886	1,014
Marketing income	761	—	761	718
Sundry income	2,679	—	2,679	4,438
	<u>70,494</u>	<u>—</u>	<u>70,494</u>	<u>104,028</u>

**CUMBRIA CEREBRAL PALSY
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Shop Income	227,277	227,277	231,079
Rental income	4,160	4,160	4,160
	<u>231,437</u>	<u>231,437</u>	<u>235,239</u>

4. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Income from UK listed investments	–	–	1,921
Bank interest receivable	147	147	48
	<u>147</u>	<u>147</u>	<u>1,969</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Relocation grants	–	56,100	56,100	–
Fees and grants	–	447,841	447,841	968,050
Day opportunities income	–	88,482	88,482	–
	<u>–</u>	<u>592,423</u>	<u>592,423</u>	<u>968,050</u>

6. OTHER INCOMING RESOURCES

	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Gains/(losses) on disposal of investments	–	–	10,107
Gains on disposal of tangible fixed assets for charity's own use	859,321	859,321	–
	<u>859,321</u>	<u>859,321</u>	<u>10,107</u>

7. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Shop costs	154,957	154,957	154,805

**CUMBRIA CEREBRAL PALSY
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

8. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Society	126,792	—	126,792	149,653
Scalesceugh Hall	-	674,449	674,449	885,433
Day Opportunities	—	64,949	64,949	-
Contribution to Impact Housing under contract	-	700,000	700,000	-
	<u>126,792</u>	<u>1,439,398</u>	<u>1,566,190</u>	<u>1,035,086</u>

9. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Accountancy fees	4,838	—	4,838	2,912
Audit fees	9,850	—	9,850	9,750
Professional fees	12,969	12,672	25,641	—
Bank charges	59	839	898	2,518
Net finance costs in respect of defined benefit pension schemes	4,076	13,924	18,000	18,000
	<u>31,792</u>	<u>27,435</u>	<u>59,227</u>	<u>33,180</u>

10. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

This is stated after charging/(crediting)

	2011 £	2010 £
Staff pension contributions	(23,157)	12,464
Depreciation	2,475	16,479
Auditors' remuneration		
- audit of the financial statements	9,850	9,750
Operating lease costs		
- Other	<u>2,023</u>	<u>2,822</u>

**CUMBRIA CEREBRAL PALSY
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

11. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2011	2010
	£	£
Wages and salaries	597,645	802,134
Redundancy costs	113,476	-
Social security costs	38,492	52,849
Other post-retirement benefit costs	(12,000)	19,000
	<u>737,613</u>	<u>873,983</u>

Other pension costs above represents the total operating charge included in resources expended in the statement of financial activities and does not include amounts included in other finance costs and other recognised gains and losses (see note 16)

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	2011	2010
	No	No
Number of provision of care staff	10	40
Number of fund-raising and publicity staff	8	8
Number of management and administrative staff	2	2
	<u>20</u>	<u>50</u>

No employee received remuneration of more than £60,000 during the year (2010 - Nil)

12. TRUSTEE REMUNERATION AND EXPENSES

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to be connected with any of the trustees

**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

13. TANGIBLE FIXED ASSETS

	Freehold Property and Development Costs £	Fixtures & Fittings £	Motor Vehicles £	Building Expenditure £	Freehold land £	Total £
COST						
At 1 Apr 2010	233,369	38,403	31,961	38,711	11,201	353,645
Additions	–	682	–	–	–	682
Disposals	(233,369)	(38,896)	(31,961)	(38,711)	(11,200)	(354,137)
At 31 Mar 2011	<u>–</u>	<u>189</u>	<u>–</u>	<u>–</u>	<u>1</u>	<u>190</u>
DEPRECIATION						
At 1 Apr 2010	–	23,924	27,699	11,743	–	63,366
Charge for the year	–	2,475	–	–	–	2,475
On disposals	–	(26,228)	(27,699)	(11,743)	–	(65,670)
At 31 Mar 2011	<u>–</u>	<u>171</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>171</u>
NET BOOK VALUE						
At 31 Mar 2011	<u>–</u>	<u>18</u>	<u>–</u>	<u>–</u>	<u>1</u>	<u>19</u>
At 31 Mar 2010	233,369	14,479	4,262	26,968	11,201	290,279

14. STOCKS

	2011 £	2010 £
Stock	<u>1,500</u>	<u>2,163</u>

15. DEBTORS

	2011 £	2010 £
Trade debtors	24,198	18,869
Amounts owed by CP Cumbria	166,381	–
Other debtors	3,464	–
Other debtors	1,243	14,301
Prepayments	<u>22,837</u>	<u>–</u>
	<u>218,123</u>	<u>33,170</u>

The amount owed by CP Cumbria is due in more than one year CP Cumbria will repay this amount over a period of time as they generate funds

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COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

16. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	16,852	56,531
Amounts owed associated undertakings the charity has a participating interest	–	13,897
Taxation and social security	4,426	16,008
Future Builders Grant	–	3,000
Other creditors - Impact	11,552	–
Other creditors	195	158
Hedley Foundation	–	2,100
	<u>33,025</u>	<u>91,694</u>

CUMBRIA CEREBRAL PALSY COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

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17. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Cumbria cerebral palsy is an allocated part of Cumbria local government pension scheme which provides benefits based on final pensionable pay

These defined benefit arrangements are closed to new employees and following an actuarial valuation at 31 March 2009 a deficit recovery plan was agreed with the schemes' Trustees which aimed to eliminate the deficit by 2029. In 2011 a new recovery plan was agreed with the schemes' Trustees which provided for an increase in employer contributions of 22.9%. This recovery plan aims to eliminate the deficit within 20 years.

Following the closure of the defined benefit arrangements to new employees, new employees are invited to join a defined contribution scheme. No employees have joined this scheme.

Pension scheme assets are valued at realisable value at the balance sheet date.

Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

Any pension scheme surplus (to the extent that it is considered recoverable) or deficit is recognised in full and presented on the face of the balance sheet.

Any movement in the scheme surplus/deficit in each year is charged/credited through either the statement of financial activities or in the case of actuarial gains and losses through the statement of total recognised gains and losses.

The following information shows how the liability has arisen in the accounts and also shows the comparatives.

The most recent full actuarial valuation was carried out on the 31st March, 2007 and updated on the 31st March, 2009 by a qualified independent actuary.

The amounts recognised in the statement of financial activities are as follows:

	2011	2010
	£	£
Total operating (credit)/charge in resources expended		
Current service cost	20	19
Past service cost	(68)	-
losses on settlements and curtailments	36	-
Total operating (credit)/charge	(12)	19
Amounts included in other finance cost		
Expected return on scheme assets	(50)	(39)
Interest on scheme liabilities	68	57
Other finance cost	18	18
Total charge to the statement of financial activities	6	37

**CUMBRIA CEREBRAL PALSY
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

At 31 March 2011 the cumulative amount of actuarial gains recognised in the statement of financial activities is £135

The amounts recognised in the balance sheet are as follows

	2011	2010
	£	£
Present value of funded obligations	(1,121)	(1,218)
Fair value of scheme assets	902	817
Net pension liability	<u>(219)</u>	<u>(401)</u>

**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

17. PENSIONS AND OTHER POST RETIREMENT BENEFITS *(continued)*

Changes in the present value of the defined benefit obligation scheme are as follows

	2011	2010
	£	£
Opening defined benefit obligation	1,218	798
Current service cost	20	19
Past service cost	(68)	—
Losses on curtailments	36	—
Interest on scheme liabilities	68	57
Actuarial (gain)/loss	(90)	362
Contributions by scheme participants	6	10
Benefits paid	(69)	(28)
Closing defined benefit obligation	<u>1,121</u>	<u>1,218</u>

Changes in the fair value of scheme assets are as follows

	2011	2010
	£	£
Opening fair value of scheme assets	817	628
Expected return on scheme assets	50	39
Contributions by employer	53	29
Contributions by scheme participants	6	10
Actuarial gain	45	139
Benefits paid	(69)	(28)
Closing fair value of scheme assets	<u>902</u>	<u>817</u>

The fair value of the major categories of scheme assets as a percentage of total scheme assets are as follows

	2011	2010
	%	%
European equities	51	53
European bonds	18	20
Other debt instruments	14	10
Property	6	6
Cash	2	2
Other assets	9	9

The principal actuarial assumptions as at the balance sheet date were

	2011	2010
	%	%
Discount rate	6	6
Rate of increase in salaries	5	5
Rate of increase in pensions in payment	3	4
Inflation	3	4

**CUMBRIA CEREBRAL PALSY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

17. PENSIONS AND OTHER POST RETIREMENT BENEFITS *(continued)*

Amounts for the current and previous four periods are as follows

	2011 £	2010 £	2009 £	2008 £	2007 £
Defined benefit obligation	(1,121)	(1,218)	(798)	(980)	(910)
Fair value of scheme assets	<u>902</u>	<u>817</u>	<u>628</u>	<u>759</u>	<u>741</u>
Surplus/(deficit) in the scheme	<u>(219)</u>	<u>(401)</u>	<u>(170)</u>	<u>(221)</u>	<u>(169)</u>

18. COMMITMENTS UNDER OPERATING LEASES

At 2011 the charity had annual commitments under non-cancellable operating leases as set out below

	2011		2010	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire:				
Within 1 year	-	842	3,250	338
Within 2 to 5 years	24,250	2,636	24,250	3,761
After more than 5 years	<u>7,450</u>	<u>-</u>	<u>7,450</u>	<u>-</u>
	<u>31,700</u>	<u>3,478</u>	<u>34,950</u>	<u>4,099</u>

19. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2010 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Mar 2011 £
General fund	(49,345)	1,451,744	(1,466,833)	-	(64,434)
Defined benefit pension scheme	<u>(151,639)</u>	<u>-</u>	<u>-</u>	<u>104,429</u>	<u>(47,210)</u>
	<u>(200,984)</u>	<u>1,451,744</u>	<u>(1,466,833)</u>	<u>104,429</u>	<u>(111,644)</u>

20. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2010 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Mar 2011 £
General Funds	<u>207,716</u>	<u>302,079</u>	<u>(313,542)</u>	<u>30,571</u>	<u>226,824</u>

**CUMBRIA CEREBRAL PALSY
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets/ (liabilities) £	Defined benefit pension liability £	Total £
Restricted Income Funds:				
General fund	–	57,752	(169,396)	(111,644)
Unrestricted Income Funds	19	276,409	(49,604)	226,824
Total Funds	19	334,161	(219,000)	115,180

22. RELATED PARTY TRANSACTIONS

During the year CP Cumbria Limited, was incorporated in England and Wales, Company number 07327176, Charity number 1139702 CP Cumbria Limited is related to Cumbria Cerebral Palsy Limited by virtue of common control At the yearend CP Cumbria Limited owed Cumbria Cerebral Palsy Limited £166,381 (2010 - £–)

The charity undertook transactions during the year with Bankaid Limited amounting to £1,504 This company is owned by Mr A Taylor who is also a Director and Trustee of Cumbria Cerebral Palsy Limited

23. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital