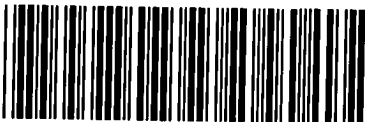


CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)
Registered number 5386416
Charity number 1110076

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL
STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2018

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CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2018**

Trustees

Mr AK Taylor, Treasurer
Mrs A J Carr
Mrs E Thomson, Chair
Mr A Darroch
Mrs G Wykes
Mr J Harper
Mrs J Swinglehurst, Vice Chair
Mr C Scott-Buccleuch
Mr B Earley

-Company registered number
05386416

Charity registered number
1110076

Registered office
22 Spencer Street
Carlisle
Cumbria
CA11BG

Company secretary
Ms Lynne Culley

Chief executive officer
Ms Lynne Culley

Independent Examiner
Brian Hall
Brian Hall Accountancy
Gillford Park
Petteril Bank Road
Carlisle
Cumbria
CA13AF

Bankers
Cumberland Building Society
38 Fisher Street
Carlisle
Cumbria
CA38RQ

Solicitors
CartmellShepherd
Viaduct House
Carlisle
Cumbria
CA3 8EZ

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2018

The Trustees present their annual report together with the financial statements of Cumbria Cerebral Palsy for the year ending 31 March 2018.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

CONSTITUTION

The charity is registered as a charitable company limited by guarantee and was incorporated by a Memorandum of Association on 9 March 2005. The Memorandum and Articles of Association comprise the governing document and establish the objects and powers of the charitable company. The company was registered as a charity on 28 June 2005.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

There is a maximum of 12 elected Trustees and 8 co-opted Trustees. Elected Trustees are elected or re-elected for a term of 3 years concluding at the third Annual General Meeting after their election. Any elected Trustee 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 that 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 mix of skills.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

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. 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 Trustees on appointment.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Cumbria Cerebral Palsy is an independent charity providing services for people with cerebral palsy and similar conditions primarily, but not exclusively, living within Cumbria.

The Trustees are responsible for the overall management and control of the organisation and meet up to six times during the year. Extra meetings are arranged as and when required. The day to day management of the charity is delegated by the Board of Trustees to the Chief Officer who reports to the Trustees.

RELATED PARTY RELATIONSHIPS

Cumbria Cerebral Palsy provides day opportunities under a contract with the Local Authority. The charity also works closely with CP Cumbria Limited for the purposes of sharing information and knowledge in addition to other

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

organisations also supporting people with cerebral palsy or an associated disability. Any financial transactions with CP Cumbria Limited are disclosed in the related party note to the financial statements.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. Procedures are in place to ensure compliance in particular with the Health and Safety of staff, volunteers, clients and visitors to the Day Centre and Head Office which have been externally audited and approved by our insurance company.

Objectives and Activities

POLICIES AND OBJECTIVES

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

Therefore, in planning activities for the year, the Charity Commission guidance on public benefit is adhered to at Board meetings. The focus of our activities is to design and deliver person centred care planning by a range of flexible services for people who have access to our day opportunities. This benefits people by developing their self-confidence as they are supported to take more control and make decisions affecting their lives. We welcome people from all backgrounds, faiths, genders, or personal circumstances and firmly believe this diversity enables everyone through the sharing of experiences, skills and aptitudes.

ACTIVITIES FOR ACHIEVING OBJECTIVES

Purpose and Aims

The purpose of existence for our charity is set out in the objects contained in the Company's Memorandum of Association and 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 aim of our charity is to support people with cerebral palsy, their families and carers, living in Cumbria.

Ensuring our work delivers our aims

We regularly review our aims, objectives and activities throughout the year by quality assurance audits, feedback from people, and regular monitoring of the service. This enables us to move forward with confidence knowing the services we provide are meeting the needs of the people we aim to support. The charity has built up a skilled workforce who specialise in providing care which puts the person at the centre and therefore in control of their care package.

The focus of our work

The main objective for the year has been to offer day opportunities for people with cerebral palsy and associated disabilities living in the north Cumbria area. People attending the day opportunity centre usually live at home either with parents, or in their own homes. By offering a person centred service each support plan is catered to the needs of the people and what they want from attending the day service.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Public benefit

The Trustees confirm that they have complied with section 4 of the 2006 Charities Act in having paid due regard to the Charity Commission guidance on public benefit.

How our activities deliver public benefit?

As mentioned and when looking at future service delivery planning, the Trustees are mindful of the guidance on public benefit. The focus of our services is to design person centred care planning, delivering a flexible service totally around the individual needs of the people who access our day opportunity service. The centre benefits people by working closely to develop self-confidence, gaining new skills whether emotional or practical to enable people to aim to be as independent as possible and therefore well placed to make their own decisions about their daily lives. In addition our service is able to offer a respite service for people who are full time carers.

We welcome people from all backgrounds believing this level of diversity helps everyone through the sharing of experiences, skills and aptitudes. A great contribution is made by volunteers working at the day opportunity centre and we are grateful for the support people give listening, encouraging, and befriending the people who access our service. Without this valuable contribution we would not be able to achieve as much as we do.

Achievements and performance.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis are contained in the accounting policies within this document.

REVIEW OF ACTIVITIES

Who used and benefited from our services?

People with complex physical, learning disabilities, challenging behaviour and dementia access our day opportunity service. Most people live within the Carlisle district. Referrals to the service come mostly from self-referral although we work alongside the Local Authority and Health Authority. The Centre operates in a purpose built building at Lister House. It is registered for up to 15 people each week day.

INVESTMENT POLICY AND PERFORMANCE

The Trustees having regard to the liquidity requirements of operating a day opportunity service have operated a policy of keeping available funds in interest bearing deposit accounts achieving the best rate of interest. With this in mind, the charity regularly checks on the best options for its liquid reserves.

Financial review

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Trustees review the major risks to which the charity is exposed. Systems and procedures are established to mitigate, where appropriate, these risks. Internal control systems are minimised by the implementation for authorisation of all transactions and projects. Procedures are in place to ensure Health and Safety compliance for all staff, volunteers and visitors to the Centre and Head Office.

RESERVES POLICY

The Trustees have a policy to maintain a balance on unrestricted funds equivalent to 3 months unrestricted payments. The balance in the accounts show unrestricted funds of £375,654 and a deficit on restricted funds of £185,376 meaning that unrestricted funds could be utilised to offset the restricted fund deficit.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

DEFICIT

There is a deficit on the restricted fund balance as a result of the variances of the pension fund deficit over which we have no control. The Trustees have endorsed the policy of Cumbria County Council and advice of the Pension Actuary to increase the employer's contribution rate on an annual basis and in addition to contribute agreed cash amounts in order to reduce or remove the pension deficit over a given period

PRINCIPAL FUNDING

The day opportunities income is via people's direct payments and the centre operates under a contract with the Local Authority. Additional funding for new initiatives comes from fundraising by application to trust funds. During the year we have secured funding from the following and wish to record our grateful thanks to:

- Dobies Charitable Trust
- Dunnery Trust
- Fitton Trust
- Masons Charity
- Green Hall Foundation
- Awards for All
- Coop Charitable Trust
- Percy Bilton Charity
- Morrisons Foundation
- Aviva Fund
- Carlisle Citadel Welfare Club
- K2B Walk

MATERIAL INVESTMENTS POLICY

The Trustees, having regard to the liquidity requirements of operating a day opportunity centre have adopted a policy of keeping available funds in an interest bearing deposit account and seek to achieve the best rate possible on deposit.

Plans for our future

FUTURE DEVELOPMENTS

It is the aim of the charity to continue to provide the highest possible level of creative and flexible services for people wishing to attend the day centre. We will continue to encourage people to be more involved in their local communities by providing support, and building confidence and skill bases. We will continue our regular consultation with people using our service to ensure it is meeting people's hopes and aspirations and will listen to what people tell us in shaping the service for the future. We welcome and encourage feedback on what we do, what things we can do better, and most importantly if we are providing what people want from us

PENSION/RESTRICTED FUNDS

The financial statements include the full adoption of Accounting Standard FRS17 which currently shows a pension fund deficit of £100,000. The Trustees have endorsed the policy of Cumbria County Council and increased the employer's contribution on an annual basis, in addition to a capital sum, in order to reduce or remove the pension deficit.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

TRUSTEES' RESPONSIBILITIES STATEMENT

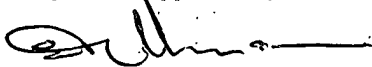
The Trustees (who are also directors of Cumbria Cerebral Palsy for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 judgments and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charitable company's transactions and 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.

This report was approved by the Trustees, on 7th July 2018 and signed on their behalf by:



Mrs E Thomson, Chair

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2018

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CUMBRIA CEREBRAL PALSY

I report on the financial statements of the charity for the year ended 31 March 2018 which are set out on pages 9 to 23.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

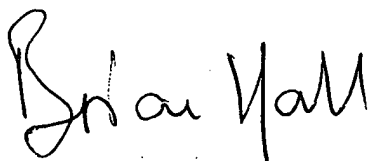
INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

**INDEPENDENT EXAMINER'S
STATEMENT**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated: 7th July 2018

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE
ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Donations and legacies	2	10,634		10,634	5,554
Charitable activities	5		128,169	128,169	127,396
Other trading activities	3	0		0	2,250
Investments	4	14		14	18
Other income		18,526		18,526	21,957
TOTAL INCOME		29,174	128,169	157,343	157,175
EXPENDITURE ON:					
Charitable activities:					
Other charitable activities		3,625	139,758	143,383	146,868
Governance	6		3,468	3,468	12,580
TOTAL EXPENDITURE	9	3,625	143,226	146,851	159,448
NET INCOME/ (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		25,549	(15,057)	10,492	(2,273)
Actuarial gains/(losses) on defined benefit pension schemes	18	12,457	42,543	55,000	(107,000)
NET MOVEMENT IN FUNDS		38,006	27,486	65,492	(109,273)
RECONCILIATION OF FUNDS:					
Total funds brought forward		337,648	(212,862)	124,786	234,060
TOTAL FUNDS CARRIED FORWARD		375,654	(185,376)	190,278	124,787

All activities relate to continuing operations.

The notes on pages 11 to 23 form part of these financial statements.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)
REGISTERED NUMBER: 05386416

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	£	2018 £	2017 £
FIXED ASSETS				
Tangible assets	14		89,422	91,061
CURRENT ASSETS				
Debtors	15	210,007		194,813
Cash at bank and in hand		9,275		8,491
		<u>219,282</u>		<u>203,304</u>
CREDITORS: amounts falling due within one year	16	(18,426)		(13,579)
NET CURRENT ASSETS			<u>200,856</u>	<u>189,725</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>290,278</u>	<u>280,786</u>
Defined benefit pension scheme liability - Restricted	18	(77,350)		(120,666)
Defined benefit pension scheme liability - Unrestricted	18	(22,650)		(35,334)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>190,278</u>	<u>124,786</u>
CHARITY FUNDS				
Restricted funds :	17			
Restricted funds excluding pension asset		(248,000)		(232,943)
Pension reserve		62,624		20,081
Total restricted funds			<u>(185,376)</u>	<u>(212,862)</u>
Unrestricted funds:	17			
Unrestricted funds excluding pension asset		349,279		323,730
Pension reserve		26,375		13,918
Total unrestricted funds			<u>375,654</u>	<u>337,648</u>
TOTAL FUNDS			<u>190,278</u>	<u>124,786</u>

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 7th July 2018 and signed on their



Mrs E Thomson, Chair

The notes on pages 11 to 23 form part of these financial statements.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

I. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Cumbria Cerebral Palsy meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

I. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

I. ACCOUNTING POLICIES (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.6 Tangible fixed assets and depreciation

All assets costing more than £300 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short Term Leasehold Property	12 to 15 years
Fixtures and fittings	5 to 7 years

1.7 Revaluation of tangible fixed assets

The charity has adopted the cost model whereby items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

I. ACCOUNTING POLICIES (continued)

1.10 Debtors

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

1.11 Pensions

The charity operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2018.

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.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.15 Taxation

The charity is exempt from corporation tax on its charitable activities.

CUMBRIA CEREBRAL PALSY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	3,621	3,621	673
Legacies	7,013	7,013	4,881
Grants			
Total donations and legacies	<u>10,634</u>	<u>10,634</u>	<u>5,554</u>

In 2018, of the total income from donations and legacies, £10,634 was to unrestricted funds and £ NIL was to restricted funds

3. FUNDRAISING INCOME

	Total funds 2018 £	Total funds 2017 £
Fundraising	0	2,250

In 2018, of the total income from other trading activities, £NIL was to unrestricted funds and £ NIL was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	14		14	18

In 2018, of the total investment income, £ 14 was to unrestricted funds and £ NIL was to restricted funds.

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Day Centre	128,169	128,169	127,396

In 2018, of the total income from charitable activities, £ NIL was to unrestricted funds and £128,169 was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

6. GOVERNANCE COSTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Accountancy		2,178	2,178	2,607
Legal and professional		170	170	8,934
Net finance costs in respect of defined benefit pension scheme		1,120	1,120	1,039
		3,468	3,468	12,580

7. Direct costs

	Unrestricted funds £	Restricted funds £	2018 £	2017 £
Wages, and salaries		99,647	99,647	105,471
National insurance		3,812	3,812	3,620
Pension costs	3,397	11,603	15,000	15,000
Premises expenses		1,707	1,707	1,845
Insurances	228	3,184	3,412	2,856
Office expenses		1,564	1,564	1,972
Direct centre expenses		10,134	10,134	6,461
Repairs and maintenances		4,427	4,427	4,702
Legal and professional		0	0	796
Sundry		2,041	2,041	2,355
Depreciation		1,639	1,639	1,705
Total	3,625	139,758	143,383	146,783

8. SUPPORT COSTS

	Day Centre £	Total 2018 £	Total 2017 £
Printing, postage, stationery	0	0	16
Computer costs	0	0	60
Equipment hire			
Sundry	0	0	9
	0	0	85

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9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Day Centre	119,579	1,639	22,165	143,383	146,868
Expenditure on governance	1,120		2,348	3,468	12,580
	<u>120,699</u>	<u>1,639</u>	<u>24,513</u>	<u>146,851</u>	<u>159,448</u>

10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charity	<u>1,639</u>	<u>1,705</u>

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2017 - £NIL).

11. Independent Examiner's remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,000 (2017 - £1,100), and other services of £ 1,400 (2017 - £ 1,507).

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12. STAFF COSTS

	2018 £	2017 £
Wages and salaries	107,322	105,471
Social security costs	3,812	3,620
Employer's pension costs	6,325	9,090
Pension costs (FRS17)	1,000	1,000
Total	118,459	119,181

The average monthly number of employees during the year was as follows:

	2018	2017
Care staff	9	9
Management	1	1
Total	10	10

No employee received remuneration amounting to more than £60,000 in either year.

13. OTHER FINANCE INCOME

	2018 £	2017 £
Interest income on pension scheme assets	44,000	45,000
Interest on pension scheme liabilities	(38,000)	(48,000)
	(6,000)	(3,000)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Short Term Leasehold Property £	Fixtures and fittings £	Total £
Cost				
At 1 April 2017 and 31 March 2018	70,000	29,892	1,399	101,291
Depreciation				
At 1 April 2017		8,975	1,255	10,230
Charge for the year		1,495	144	1,639
At 31 March 2018		10,470	1,399	11,869
Net book value				
At 31 March 2018	70,000	19,422	0	89,422
At 31 March 2017	70,000	20,917	144	91,061

Included in freehold property is land of £70,000 (2017 £70,000). This land is not depreciated. It is situated on Garlands Road, Carlisle. It was gifted to Cumbria Cerebral Palsy in 2007 and was valued at that time at £70,000. The property on the land is owned by Impact Housing. There is a covenant on the building whereby it can only be used for people with cerebral palsy or associated disabilities.

15. DEBTORS

	2018 £	2017 £
Due after more than one year		
Amounts owed by CP Cumbria Ltd	192,756	173,102
Due within one year		
Trade debtors	12,141	15,863
Prepayments and accrued income	5,110	5,848
	210,007	194,813

16. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	7,279	4,689
Other taxation and social security	1,711	1,698
Other creditors	3,662	3,124
Accruals and deferred income	5,774	4,068
	18,426	13,579

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17. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds					
General Fund	323,730	29,174	(3,625)		349,279
Pension reserve	13,918			12,457	26,375
	337,648	29,174	(3,625)	12,457	375,654
Restricted funds					
Restricted Fund	(232,943)	128,169	(143,226)		(248,000)
Pension reserve	20,081			42,543	62,624
	(212,862)	128,169	(143,226)	42,543	(185,376)
Total of funds	124,786	157,343	(146,851)	55,000	190,278

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
General funds	337,648	29,174	(3,625)	12,457	375,654
Restricted funds	(212,862)	128,169	(143,226)	42,543	(185,376)
	124,786	157,343	(146,851)	55,000	190,278

18. PENSION COMMITMENTS

The charity operates a defined benefit pension scheme.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages) :

	2018	2017
Future salary increases	3.70 %	3.80 %
Future pension increases	2.30 %	2.30 %
Inflation	2.20 %	2.30 %

Cumbria Cerebral Palsy is an allocated part of the 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 aimed to eliminate the deficit within 20 years; this has now been reduced as a result of subsequent actuarial assessments. 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

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18. PENSION COMMITMENTS (continued)

through the statement of total recognised gains and losses.

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2018 £	<i>Fair value at 31 March 2017 £</i>
Equities	703,000	716,000
Debt instruments	580,000	551,000
Property	132,000	142,000
Total market value of assets	<u>1,415,000</u>	<u>1,409,000</u>

The actual return on scheme assets was £44,000 (2017 - £218,000)).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £	2017 £
Current service cost	(14,000)	(12,000)
Interest on obligation	(38,000)	(48,000)
Expected return on scheme assets	44,000	45,000
Total	<u>(8,000)</u>	<u>(15,000)</u>

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	1,564,000	1,242,000
Current service cost	14,000	12,000
Interest cost	38,000	48,000
Contributions by scheme participants	2,000	2,000
Actuarial losses/(gains)	(55,000)	286,000
Benefits paid	(48,000)	(26,000)
Closing defined benefit obligation	<u>1,515,000</u>	<u>1,564,000</u>

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18. PENSION COMMITMENTS (continued)

Changes in the fair value of scheme assets were as follows:

	2018 £	2017 £
Opening fair value of scheme assets	1,409,000	1,199,000
Expected return on assets	35,000	45,000
Actuarial gains and (losses)	9,000	179,000
Contributions by employer	8,000	10,000
Contributions by scheme participants	2,000	2,000
Benefits paid	(48,000)	(26,000)
	1,415,000	1,409,000

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2018	2017
Equities	49.70 %	53.00 %
Government bonds	17.50 %	18.00 %
Property	9.30 %	11.00 %
Cash	5.40 %	4.00 %
Other Assets	11.80 %	7.00 %
Other bonds	6.30 %	7.00 %

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**NOTES TO THE FINANCIAL STATEMENTS
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18. PENSION COMMITMENTS (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2018 £	2017 £
Defined benefit obligation	(1,515,000)	(1,564,000)
Scheme assets	<u>1,415,000</u>	<u>1,409,000</u>
Deficit	<u>(100,000)</u>	<u>(155,000)</u>
Experience adjustments on scheme liabilities	49,000	(286,000)
Experience adjustments on scheme assets	<u>6,000</u>	<u>179,000</u>

19. RELATED PARTY TRANSACTIONS

Cumbria Cerebral Palsy is related to CP Cumbria Limited (Registered number 07327176, Charity number 1139702) by way of common control. During the year Cumbria Cerebral Palsy received management charges of £18,526 (2017 £21,957). Cumbria Cerebral Palsy paid certain items of expenditure on behalf of CP Cumbria Limited which are repaid when funds permit. At 31 March 2018 the balance owed by CP Cumbria Limited was £192,756 (2017 £173,102).

20. CONTROLLING PARTY

The charity was under the control of the trustees during the year.

21. SHARE CAPITAL

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

22. MEMBERS LIABILITY

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst a member, or within one year after ceasing as a member, for payment of the company's debts and liabilities contracted before ceasing to be a member, and of the costs, charges and expenses of winding up.