

Maudsley Charity Trading CIC

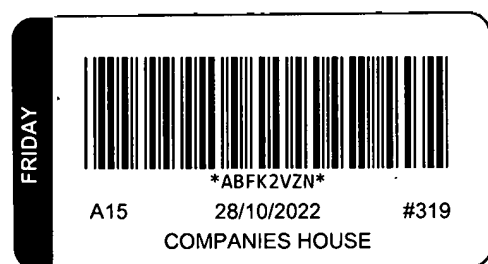
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 March 2020

AMENDED

Company Registration Number 08122704 (England and Wales)



Maudsley Charity Trading CIC

Company Information

Directors

L Canning
N Keen
R Gray
A Chapman

Registered office

Ortus Learning and Events Centre
82-96 Grove Lane
London
SE5 8SN

Registered number

08122704

Auditor

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Bankers

HSBC
60 Queen Victoria Street
London
EC4N 4TR

Maudsley Charity Trading CIC

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Maudsley Charity Trading CIC

Directors' Report

For the year ended 31 March 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

Principal activities

The main business activity of Maudsley Charity Trading CIC, for the financial year to 31 March 2020 has been maintaining the venue management business operated from the ORTUS, an award-winning learning and events Centre. The ORTUS has 1500sqm of dedicated space in the centre of the campus of the South London and Maudsley (SLaM) and Kings College Hospitals, the home of internationally recognised centres of excellence in care and research. The Institute of Psychiatry, Psychology and Neuroscience and Kings College London are also nearby the campus.

The ORTUS was built by Maudsley Charity, a charity focused on the improvement of mental health in the South London area. Maudsley Charity is also based in the building. Maudsley Charity Trading CIC is a wholly owned subsidiary of the Maudsley Charity.

The company has appointed an agent to oversee the day-to-day running of ORTUS operations. Vacherin Limited managed the building, conference facilities and catering operation (including a public café on the premises) on behalf of the company for the entire financial year. Vacherin are paid a management fee for this service.

On 17 October 2018, the company changed its name from Maudsley Learning CIC to Maudsley Charity.

Performance, impact of Covid-19 and Going Concern

The business has performed well during the year. Both revenue and occupancy had increased significantly compared to the prior year. In mid-March 2020, the business started to be affected by the unfolding events surrounding the spread of Covid-19 in the UK. The ORTUS shut to the public on 20th March, and has remained closed to the public since. The primary concern has been the safety and wellbeing of our customers and the staff employed by Vacherin who work in the ORTUS. We also took action on a number of cost reduction initiatives, including working with Vacherin to furlough their ORTUS staff, and minimising running costs while the building is closed. While MCT has the support of its parent charity, MCT has a healthy cash balance and can afford both to remain closed for an extended period and/or to tolerate a reduction in revenue when it reopens without the need for cash injection from its parent charity. The size and flexibility of the offer at the ORTUS and the ongoing relationship with our primary customer leads us to believe that there will be demand for room hire as soon as it's practicably safe to provide it. Therefore, while the situation is still evolving, the directors have strong evidence that MCT is a going concern.

Directors

The Directors in office during the period were as follows:

Lucy Canning
Nigel Keen
Rebecca Gray
Alexis Chapman (resigned 28 February 2020)

Maudsley Charity Trading CIC
Directors' Report
For the year ended 31 March 2020

Auditors

The auditors, Moore Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Maudsley Charity Trading CIC
Directors' Report
For the year ended 31 March 2020

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

Signed on behalf of the board by



Rebecca Gray, Director

Approved by the board on 31 July 2020

Maudsley Charity Trading CIC
Report of the Independent Auditor to the Directors of Maudsley Charity Trading CIC
For the year ended 31 March 2020

Opinion

We have audited the financial statements of Maudsley Charity Trading CIC for the year ended 31 March 2020 which comprise Profit and Loss Account, Balance Sheet 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the 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 opinion.

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.

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.

Maudsley Charity Trading CIC
Report of the Independent Auditor to the Directors of Maudsley Charity Trading CIC
For the year ended 31 March 2020

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or 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
- we have not received all the information and explanations we require for our audit; 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' exemption 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 1 and 2, 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.

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 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 judgement and maintain professional scepticism throughout the audit. We also:

Maudsley Charity Trading CIC
Report of the Independent Auditor to the Directors of Maudsley Charity Trading CIC
For the year ended 31 March 2020

- 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 purposes 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 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Luke Holt (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

18 August 2020

Devonshire House
60 Goswell Road
London
EC1M 7AD

Maudsley Charity Trading CIC
Profit and Loss
For the year ended 31 March 2020

	Note	2020 £	2019 £
Sales	3	1,002,980	880,051
Other Income		-	-
Cost of sales		<u>(157,174)</u>	<u>(145,735)</u>
Gross profit		845,806	734,316
Administrative expenses		<u>(852,743)</u>	<u>(691,418)</u>
Operating profit/(loss)		(6,937)	42,898
Other interest receivable & similar income		100	70
Interest payable & similar charges		<u>-</u>	<u>-</u>
Profit/(Loss) on ordinary activities before Tax	4	(6,837)	42,968
Tax on ordinary activities	6	<u>-</u>	<u>-</u>
Total Comprehensive Income		(6,837)	42,968
Profit and loss account brought forward		(659,348)	(702,316)
Profit and loss account carried forward		<u>(666,185)</u>	<u>(659,348)</u>

All operations are continuing.

The notes on pages 8 to 12 form part of these financial statements.

Maudsley Charity Trading CIC

Balance Sheet As at 31 March 2020

	Note	2020 £	2019 £
Fixed Assets			
Intangible fixed assets	7	19,652	153
Tangible fixed assets	8	<u>60,138</u>	<u>6,575</u>
		79,790	6,728
Current assets			
Debtors	9	251,958	191,768
Cash at bank		<u>842,943</u>	<u>797,272</u>
		1,094,901	989,040
Creditors: amounts falling due within one year	10	(340,876)	(155,116)
Net current assets		754,025	833,924
Net assets		<u>833,815</u>	<u>840,652</u>
Capital and reserves			
Called up share capital	11	1,500,000	1,500,000
Reserves	12	(666,185)	(659,348)
Shareholders' funds		<u>833,815</u>	<u>840,652</u>

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

Approved by the board of directors of Maudsley Charity Trading CIC, Company Registration Number 08122704 (England and Wales) and signed on their behalf by:



Rebecca Gray, Director
31 July 2020

Maudsley Charity Trading CIC
Notes to the Financial Statements
For the year ended 31 March 2020

1 ACCOUNTING POLICIES

1.1 Accounting Convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") Section 1A and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going Concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Directors have reviewed the potential long-term implication of COVID-19. During the period from building closure on 23 March 2020, all efforts have been made to reduce operating costs as far as is practicable, including furloughing third-party supplier staff and claiming Coronavirus Job Creation Scheme funding. While the situation is still evolving, the directors are confident that there will be demand for room hire as soon as it's practicably safe to provide it and efforts have been made to reschedule bookings to the period September-December. The company received a letter of support from the parent entity, Maudsley Charity, committing to funding the company for the foreseeable future to the extent necessary to enable it to continue to trade and meet its liabilities as they fall due and for at least 12 months from the date of signature of the company's balance sheet. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the total invoice and accrued value, excluding value added tax, of sales made during the period, and derives from the provision of services falling within the company's ordinary activities.

1.4 Intangible fixed assets and amortisation

Amortisation is provided into administration costs at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Software development	- 20% straight line
Website development	- between 20% and 50% straight line

1.5 Tangible fixed assets and depreciation

Depreciation is provided into administration costs at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer and office equipment	- 20% straight line
Audio-visual equipment	- 20% straight line
Leasehold improvements	- 20% straight line
Plant & Machinery	- 20% straight line
Fixtures & Fittings	- 20% straight line

Maudsley Charity Trading CIC
Notes to the Financial Statements
For the year ended 31 March 2020

1 ACCOUNTING POLICIES (Continued)

1.6 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standards 102 "cash flow statements".

1.7 Financial instruments

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at the amount receivable and subsequently adjusted for any impairment or other change in consideration expected to be received on settlement.

Basic financial liabilities, including trade and other payables are initially measured at the amount payable and subsequently adjusted for any changes in consideration expected to be paid on settlement.

2 JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. See note 7 for the carrying amount of the intangible assets and note 1.4 for the useful economic lives for each class of asset.

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the property, plant and equipment and note 1.5 for the useful economic lives for each class of asset.

Maudsley Charity Trading CIC
Notes to the Financial Statements
For the year ended 31 March 2020

3 Turnover

The turnover, loss before taxation and net assets are attributable to the principal activity of operating conference facilities, associated catering and cafe. The company operates in the UK and the whole of its turnover is to the UK market.

4 Auditors' Remuneration

	2020 £	2019 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the company's financial statements	3,950	7,700
(over)/under accrual of prior year audit fee	2,200	400
Bookkeeping and other	960	825
	<u>7,110</u>	<u>8,925</u>

5 Directors' Remuneration, Employees, Pension Costs

No director received remuneration in the year ended 2020 (2019: nil). No retirement benefits accrued under defined contribution schemes for any company directors in the year ended 2020 (2019: nil).

The company had no employees during the year ended 2020 (2019: nil). The company had no pension contributions payable for the year ended 2020 (2019: nil).

6 Taxation

The company has no tax charge for the period as the company made a taxable loss. The company has carried forward trading losses of £642,097 (2019: £561,113). No provision for deferred taxation is made as there are no timing differences between accounting and tax profits that have arisen.

7 Intangible Fixed Assets

	Software Development £	Website Development £	Total £
Cost			
At 1 April 2019	22,355	109,000	131,355
Additions	<u>20,686</u>	<u>-</u>	<u>20,686</u>
At 31 March 2020	<u>43,041</u>	<u>109,000</u>	<u>152,041</u>
Amortisation			
At 1 April 2019	22,202	109,000	131,202
Charge for the period	<u>1,187</u>	<u>-</u>	<u>1,187</u>
At 31 March 2020	<u>23,389</u>	<u>109,000</u>	<u>132,389</u>
Net Book Value			
At 31 March 2020	<u>19,652</u>	<u>-</u>	<u>19,652</u>
At 31 March 2019	<u>153</u>	<u>-</u>	<u>153</u>

Maudsley Charity Trading CIC
Notes to the Financial Statements
For the year ended 31 March 2020

8 Tangible Fixed Assets

	Computer and Office Equipment	Audio Visual Equipment	Leasehold Improvements	Fixtures & Fittings	Plant & Machinery	Total
Cost	£	£	£	£	£	£
At 1 April 2019	83,618	336,788	49,739	212,481	3,088	685,714
Additions	2,212	62,306	-	-	-	64,518
Disposals	(2,193)	-	-	-	-	(2,193)
At 31 March 2020	83,637	399,094	49,739	212,481	3,088	748,039
Depreciation						
At 1 April 2019	79,659	336,788	49,739	209,865	3,088	679,139
Charge for the period	1,086	6,631	-	1,155	-	8,872
Disposals	(110)	-	-	-	-	(110)
At 31 March 2020	80,635	343,419	49,739	211,020	3,088	687,901
Net Book Value						
At 31 March 2020	3,002	55,675	-	1,461	-	60,138
At 31 March 2019	3,959	-	-	2,616	-	6,575

9 Debtors

	2020 £	2019 £
Trade debtors	237,150	164,740
Provision for doubtful debts	(959)	(19,173)
Prepayments and accrued income	15,767	8,397
Amounts due from parent undertaking	-	37,804
	<u>251,958</u>	<u>191,768</u>

10 Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	127,427	97,010
Accruals and deferred income	39,193	5,000
Taxation and social security	35,281	53,038
Amounts owed to parent undertaking	138,975	-
Other creditors	-	68
	<u>340,876</u>	<u>155,116</u>

Maudsley Charity Trading CIC
Notes to the Financial Statements
For the year ended 31 March 2020

11 Share capital	2020	2019
	£	£
Allotted, called up and fully paid ordinary shares of £1 each	<u>1,500,000</u>	<u>1,500,000</u>
12 Reserves	2020	2019
	£	£
At 1 April 2019	(659,348)	(702,316)
Profit/(Loss) for the period	(6,836)	42,968
At 31 March 2020	<u>(666,184)</u>	<u>(659,348)</u>

13 Ultimate Controlling Party

The ultimate parent undertaking is Maudsley Charity, a charity registered in England and Wales with registration number 1055440. Audited consolidated financial statements can be obtained from Maudsley Charity, ORTUS, 82-96 Grove Lane, London SE5 8SN or at www.maudsleycharity.org.

On 1 April 2018, the parent transferred their property, rights and obligations of Maudsley Charity to a 'new' Maudsley Charity, with Charity number 1175877. Maudsley Charity is also a company limited by guarantee, company number 11071377. This new charity owns all the assets of the old charity, including the investment in the company.

14 Related Party Transactions

The company has taken advantage of the exemption available in section 33 of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group on the grounds that Maudsley Charity publishes consolidated financial statements.

There are no other related party transactions requiring disclosure in the current or prior year.

Remuneration of key management personnel

Directors of Maudsley Charity Trading CIC received no remuneration during for the year ended 31 March 2020 (2019: nil).