

**REGISTERED COMPANY NUMBER: 02294557 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 800853**

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 December 2013  
for  
Chilterns MS Centre Ltd.**

Ashby's  
Statutory Auditor  
Morton House  
9 Beacon Court  
Pitstone Green Business Park  
Pitstone  
LU7 9GY

**Contents of the Financial Statements  
for the year ended 31 December 2013**

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**Report of the Trustees  
for the year ended 31 December 2013**

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The trustees who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 December 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

02294557 (England and Wales)

**Registered Charity Number**

800853

**Registered office**

Oakwood Close  
Wendover  
Buckinghamshire  
HP22 5LX

**Trustees**

N A Brown BA  
D R Barnard MA MSc  
J Dean  
P R McDowell BSc  
L J Oatley BA JP  
J M Osborne BSc FIA  
M W Phillips - resigned 17.1.14  
C W White MB BS MRCP MSc MFSEM - resigned 19.2.13  
J D G Wretham FRICS IRRV - resigned 9.6.13  
J Walker - resigned 19.2.13  
R J Greaves LLB  
M J Bedford - appointed 9.6.13  
I Summerfield - appointed 9.6.13

**Chief Executive Officer**

Robert Breakwell

**Company Secretary**

D R Barnard MA MSc

**Auditors**

Ashby's  
Statutory Auditor  
Morton House  
9 Beacon Court  
Pitstone Green Business Park  
Pitstone  
LU7 9GY

**Report of the Trustees  
for the year ended 31 December 2013**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Bankers**

National Westminster Bank Plc  
22 Market Square  
Aylesbury  
Bucks  
HP20 1PR

Santander  
1st Floor  
Operations Block  
Bridle Road  
Bootle  
Mersersyde  
L30 4GB

Lloyds TSB Bank Plc  
79 High Street  
Chesham  
Buckinghamshire  
HP5 1DE

**Patrons**

Rt Hon John Bercow MP  
Cllr Janet Blake MInstF  
The Earl of Buckinghamshire  
Lord Carlile of Berriew QC  
Professor Gavin Giovannoni MBChB PhD FCP FRCP FRCPATH  
Group Captain S A Harper OBE MA RAF  
Sir David Jason OBE  
Rt Hon David Lidington MP  
J P G Naylor Esq  
Derek K Townsend DL

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

Chilterns MS Centre Limited is registered with the Charity Commission for England and Wales; it was incorporated as a limited company limited by guarantee on 9th September 1988. The Charity is governed by its Memorandum and Articles of Association as adopted on 22nd December 2004.

**Recruitment and appointment of new trustees**

In accordance with the Articles of Association, the Board is authorised to appoint new trustees as additions to the Board or to fill vacancies arising through resignation or death. All appointments are made internally by the Charity. A quarter of the members of the Board retire by rotation at the Annual General Meeting but may seek re-election. On appointment to the Board, trustees receive a copy of the Memorandum and Articles of Association of the Company and Charity Commission and Good Governance information.

In its approach to the recruitment of trustees, the Charity aims to ensure that it has a broad range of experience. Three of the current trustees are people with Multiple Sclerosis (MS) and three other trustees have close relatives who have MS. As a result, the trustees are able to ensure that the interests of those people whom the Charity seeks to support are represented by direct first-hand experience.

**Report of the Trustees  
for the year ended 31 December 2013**

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## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Organisational structure**

The Board of Trustees is responsible for the overall management and governance of the Charity and generally meets on a monthly basis. The Board sets the strategic direction and policy for the Charity, agrees an annual budget and monitors performance against it. The day-to-day management of the Charity is delegated to its Chief Executive.

The Chief Executive is supported by a Senior Management Team (SMT), which includes the Head of Physiotherapy, Finance Manager, Facilities Manager, Trusts & Foundations Fundraiser and Carer Support Manager. The Head of Physiotherapy is responsible for the management and professional development of the physiotherapy staff and the maintenance of recognised treatment standards.

The Chief Executive and the Chairman of Trustees meet on a monthly basis. In addition, the Chief Executive has instigated several governance sub-committees all with their own terms of reference. The trustees are delighted by the way in which members of staff are working in a co-operative, enthusiastic and efficient manner for the Charity. For governance purposes and in order to maintain good lines of communication, the Chief Executive and other members of the SMT report to the trustees on a monthly basis and all are seeing the benefit of the co-ordinated approach to the running and development of the Charity. Risk Management and feedback from the various sub-committees form a part of the agenda for trustee meetings.

### **Risk management**

The major risks to which the Charity is exposed, as identified by the trustees, have been reviewed and systems are in place to manage and mitigate those risks.

Ensuring that sufficient incoming resources are maintained at a level to fund the activities approved by the trustees remains the principal risk facing the Charity and is regularly monitored. The trustees are continually seeking to diversify the sources of funding in order to reduce the risk of the loss of, or significant reduction to, any one of the Charity's income streams. Annual Health and Safety reviews and Fire Assessments are also carried out to minimise any associated risks to patients, staff and visitors.

The trustees have put in place operating procedures to provide effective controls for the operation of the Charity. Meetings are held with formal agendas and are minuted. The policies for the Charity are recorded in writing and updated. The Charity has a business plan to support its strategic objectives.

The Charity owns the freehold interest in its premises from which it has operated since September 2012. The new building requires a significant increase in revenue generated in order to support the higher overhead costs.

## **OBJECTIVES AND PUBLIC BENEFIT**

### **Objectives and aims**

The Charity aims to provide a range of drug-free symptom management therapies to support people who have been diagnosed with MS to enable them to help themselves and give them back control over their lives. It also aims to provide direct care, support and counselling for patients, their carers, families and friends. This practical support and advice is provided in an atmosphere that is encouraging and inspirational.

This essential service for the treatment and support of those with MS is not otherwise available locally through the National Health Service. Whilst there is no geographical limit, service users come primarily from the areas of Buckinghamshire, Hertfordshire, Oxfordshire, Bedfordshire but many come from further afield because of the range of treatments offered. The Centre is open on each weekday and also on alternate Saturdays and aims to provide treatment for as many patients as possible.

**Report of the Trustees  
for the year ended 31 December 2013**

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**Public benefit**

The trustees have complied with their duty to have regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The activities of the Charity are directed to providing significant support for those with MS both through therapy and general encouragement and comradeship. Any donation made towards the running costs of the Charity is in the discretion of the trustee and all potential service users have the opportunity to benefit from the activities of the Charity.

**ACHIEVEMENT AND PERFORMANCE**

**Overview**

Major problems with the new hydrotherapy pool and oxygen chamber diverted management attention away from income generating activities during 2013. The prioritisation of continuing to deliver high quality services to people with MS resulted in a lack of focus on fundraising activities.

The period since the Charity's move to new premises in September 2012 has been particularly challenging for the Charity and the poor financial results for 2013 reflect the delays and costs in bringing the new facilities into full operation and the increased costs of running the new Centre. We comment on the events of 2013 elsewhere in this report and also on the steps taken by the trustees to address the poor financial results and ensure that the Charity performs on a stable basis in the future.

The Chief Executive, Jo Woolf, left the Charity in August 2013 and a new Chief Executive, Robert Breakwell, was appointed. Robert has considerable experience in Charity management and income generation and he instigated an immediate drive to increase income and decrease expenditure. These initiatives started to take effect during the fourth quarter of 2013 and the trend has continued into 2014.

The Charity's Trusts & Foundations Fundraiser left the Charity in early 2013. An excellent replacement was recruited but a period when no applications were coming to fruition, resulted in a temporary delay in making applications.

**Clinical Services**

The Charity provides practical support and advice for people with MS and their carers. The primary therapies and treatments are physiotherapy, oxygen treatment, hydrotherapy, occupational therapy and carer support. The Centre also offers a wide range of therapies, clinics and programmes including:

- Falls clinic
- Gait analysis
- Exercise classes
- Open gym sessions
- Fatigue management programme
- Lymphoedema massage
- Orthotics clinic
- Acupuncture
- Reflexology
- Therapeutic massage
- Podiatry
- Yoga
- Wheelchair and seating clinic
- Speech and language therapy
- MS literature and advice service

Through the provision of therapies and clinics the Charity aims to maintain the health and wellbeing of people with MS. The Centre also provides a hub for people with MS and their carers and families giving access to the facilities and support which are needed by and appropriate for people with MS and their carers. This promotes an environment where self-help and the sharing of ideas and best practice can flourish.

The therapies provided by the Centre result in the maintenance of and improvements in the mobility, energy levels, independence and wellbeing for people with MS.

Clinical services cover physiotherapy, oxygen treatment, hydrotherapy, occupational therapy and complementary therapies. The total number of treatments delivered in the year rose from 12,341 to 13,052, an increase of 5.8%.

**Report of the Trustees  
for the year ended 31 December 2013**

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**ACHIEVEMENT AND PERFORMANCE**

During 2013, numerous efforts at raising awareness about unattended appointments and the costs to the Centre of patients not attending have been implemented. This has resulted in a reduction in unattended appointments from 17.2% to 10.8%. Reasons for members not attending are numerous and include illness and transport difficulties. Many members are unable to drive and are unable to afford a car. Rising costs for organised transport is also an ongoing issue for many members.

The Centre provided one clinical placement for a physiotherapy student, and hosted four work experience placements for students from local schools. Numerous liaison visits from local NHS services and other third party organisations throughout 2013 resulted in a major effort to communicate the Centre's services to other organisations involved in the care of people with MS. This approach enables an efficient and systematic co-ordination of patient care, especially when referring to other services.

All employed clinical staff have been supported with both internal and external professional training. Regular training has been delivered in-house to save costs, thereby enabling continued professional development (CPD), which is a mandatory requirement for staff registered with the Health Care Professionals Council (HCPC). All registered staff are subject to a two yearly random audit of CPD to ensure standards of continual professional learning and refreshing of clinical skills.

**Oxygen Treatment**

Oxygen is a key part of treatment for many people with MS. Those people with MS who have oxygen treatment (usually on a weekly basis) report a reduction in fatigue levels, improved mobility, a reduction of incontinence and improvement of their mood and sense of wellbeing.

The Centre's new oxygen chamber, which is used to allow people with MS to breathe pure oxygen at an increased atmospheric pressure, was unavailable for full use for several months during 2013 whilst the installation was completed to the correct standard. Despite this, 993 treatments were delivered in the year.

The paid co-ordinator for the oxygen chamber left his post in late 2013 and it was decided that the service would continue as a volunteer-led service in order to save costs.

The Charity is a member of the Multiple Sclerosis National Therapy Centres (MSNTC) which has over 50 MS Centre members in the UK. MSNTC offers the benefits of group buying power, operator training, and support for self-regulation of the operation of oxygen chambers following the Care Quality Commission's decision to deregulate oxygen treatment in 2008.

**Hydrotherapy**

The Centre's new hydrotherapy pool became operational during the second half of 2013. The Charity has two physiotherapists with hydrotherapy qualifications and a number of patients were able to benefit from this specialist treatment. The new pool is a state-of-the-art facility complete with an adjustable-height floor and a system for generating water currents.

**Carers**

The Charity has long recognised that the wellbeing of patients with MS is strongly interwoven with the wellbeing of those who care and support them. With this in mind, a Carers' Support Group was set up in 2008 to help all those looking after someone with an MS diagnosis. Carers' needs can be complex and it is important to ensure that both practical and emotional support is available. We understand the need to empower carers, so talks and workshops relating to the carer's role are held every month. Importantly, the time during and after talks is an opportunity for those who attend to share knowledge, make friends and generally support each other.

**Report of the Trustees  
for the year ended 31 December 2013**

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**ACHIEVEMENT AND PERFORMANCE**

The number of carers registered with the service has grown rapidly and now stands at 222, and this is increasing every month. Ages range from schoolchildren to pensioners. The Carers Support Group publishes a quarterly newsletter which is circulated to registered carers as well as other professionals such as consultant neurologists, MS nurses and carers' organisations.

**Visit to the Centre by HRH the Countess of Wessex**

We were proud that Sophie, Countess of Wessex, attended the Centre in May 2013. Her Royal Highness toured the Centre and showed great interest in the activities of our members. She presented awards to three long-serving volunteers. Her visit was much appreciated by all connected with the Centre.

**Fundraising and Promotion of the Charity**

Grant-making trusts and foundations contributed generously to the Charity during 2013 and the Centre is grateful to each and every one of them. In alphabetical order, we are particularly grateful to the Aylesbury Vale Community Chest for its third payment for clinical salaries, the King/Cullimore Trust's donation towards our hydrotherapy pool, the Nurse's Cottage Fund's donation towards the loan we took to fund our new facilities at Halton and for the continued support of the Sherling Charitable Trust towards occupational therapy. We would also like to thank the trusts and other donors who give regularly, like the B & P Glasser Charitable Trust; regular donations enable us to plan expenditure more easily.

Through 2013 the Charity sought to generate income from established events which continued to make a reasonable contribution to our funds together with events such as an art exhibition, quiz evenings and a summer fete. Our members continue to take part in and support fundraising events, which contribute vital funds.

The Charity also benefited from letting out various facilities to external groups; this started to generate some useful income.

Treatments are provided free of charge. Many patients, who can afford to do so, make a donation towards the cost of running the Centre and these totalled over £100,000 in 2013 and are a very significant part of the income mix.

**Support from Volunteers**

During 2013, the Centre continued to increase its volunteer base and there are now over 100 people who help and support the Charity in activities such as fundraising, events, street collections, buildings maintenance, office administration and operation of the Oxygen chamber. The Charity benefits each year from over 14,000 hours of voluntary work on behalf of the Centre and wishes to thank its loyal and committed volunteers for their tireless work.

**Members' Forum**

The Members' Forum which was established during 2010 has continued to provide a channel of communication between the members and the trustees. Several meetings were held in 2013 which facilitated the exchange of information and ideas. The Forum has a dedicated Facilitator whose primary objective is to increase the number of members who attend the meetings on a two monthly basis.

**Patrons**

Patrons continue to be more than just names on the Charity's headed paper. Without exception they have all contributed in some way to the success of our fundraising and continually work as ambassadors spreading the message about the importance and quality of our work. Their support is appreciated.

**FINANCIAL REVIEW**

After a very good year financially in 2012 when the Charity moved into the new Centre, made an operational surplus of £30,495 and raised capital of £417,946 for the new building, 2013 was a very difficult year.

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**Report of the Trustees  
for the year ended 31 December 2013**

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**FINANCIAL REVIEW**

The new Centre presented the Centre's management with numerous unanticipated challenges. Whereas we would have expected the new Centre to be fully operational at the start of the year, in practice it took over 6 months to eradicate faults, in particular in relation to the oxygen chamber and the hydrotherapy pool.

Fundraising momentum from 2013 was lost, in part due to the retirement of our Trusts and Foundations fundraiser who did a magnificent job in raising funds for the new Centre and, in part, due to the greater difficulty of raising revenue for operational purposes rather than capital expenditure.

Operational income in 2013 was £523,096 (2012: £563,728) and resources expended were £747,640 including depreciation of £93,865 (2012: £607,028, including depreciation of £74,245). This resulted in an operational deficit in the year of £130,679, excluding depreciation.

In order to fund the new Centre, the Charity raised a loan of £475,000 from NatWest in 2011. By the end of 2012, this loan had been reduced to £301,914. Under the terms of the loan, £85,178 was repaid during 2013. At the end of the year, it was agreed with NatWest that repayment of the loan would be deferred for a year during 2014, pending an intended restructuring of the loan to give longer term financial stability to the Charity.

The free reserves (total funds less fixed assets) of the Charity were £94,446 at the end of 2013 (£237,799 at end 2012). It has been the Charity's long term objective to operate with free reserves of 8 months' operating expenditure which would equate to approximately £435,000.

In 2014, the primary financial objective is to generate a cash surplus and, whilst it is intended to preserve the level of services and treatments for people with MS, ultimately this objective will only be attained if a cash surplus is generated.

Budgeted operational expenditure in 2014 has been reduced without the need to cut the level of service and treatments. At the same time, resources are being directed towards making use of the Centre by non-MS users. The early months of 2014 are encouraging with cash surpluses being generated.

**FUTURE DEVELOPMENTS**

The Charity has agreed two key objectives for 2014:

- To maintain all of the Centre's services at January 2014 activity levels achieving any growth in service provision through efficiencies and cost savings.
- To deliver the 2014 budget which is at least cash neutral but does not include depreciation costs.

In order to focus on the pressing need to increase income and reduce expenditure, a detailed budget for 2014 has been approved by trustees and progress against budget is closely monitored.

A strategic review is under way and it is expected that a strategic and linked operational plan will be fully in place by the summer of 2014. The strategic plan has been informed by the Members' Forum, a trustee and senior management strategy session in January 2014. Further work to assess the future needs of people with MS is under way.

A number of income generation activities are in place or under development and these include the establishment of a Sports Injury Clinic and provision of meeting facilities to local organisations such as the Parkinson's Society and Healthwatch Bucks. A number of non-MS patients come to the Centre for oxygen treatment and several local swimming groups have utilised the hydrotherapy pool. In addition, there is increased media and public relations activity and a drive to increase income from external and internal donors.

Generating sufficient income to maintain and grow our levels of treatment and services for service users was a significant challenge during 2013 and this will continue during 2014, together with a strong focus on the most efficient use of existing resources. The Charity will continue to concentrate on the generation of income streams from a variety of sources. Corporate and individual donations, trusts, regular collections and events, legacies and tax efficient giving are all a priority. Emphasis will be placed on initiatives to increase regular and sustainable income with the aim of reducing the short to medium-term risk of a shortfall in operational funding.

**Report of the Trustees  
for the year ended 31 December 2013**

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**FUTURE DEVELOPMENTS**

As in previous years, the Charity will continue its efforts to build productive working relationships with the local Clinical Commissioning Groups, General Practitioners and other local and national bodies that support those people with MS, to ensure that it can carry out its core purposes and that the needs of its patients are fully understood and supported by this wider community.

The Charity will monitor the reforms to the NHS in order to understand the effects of the introduction of Clinical Commissioning Groups.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Chilterns MS Centre Ltd. for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

**AUDITORS**

The auditors, Ashby's, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

**ON BEHALF OF THE BOARD:**

J M Osborne BSc FIA - Trustee

Date: 29 May 2014

We have audited the financial statements of Chilterns MS Centre Ltd. for the year ended 31 December 2013 on pages eleven to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable 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 Statement of Trustees Responsibilities set out on page eight, the trustees (who are also the directors of the charitable company 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.

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 Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 December 2013 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Jill Andrews (Senior Statutory Auditor)  
for and on behalf of Ashby's  
Statutory Auditor  
Morton House  
9 Beacon Court  
Pitstone Green Business Park  
Pitstone  
LU7 9GY

Date: 29 May 2014

**Statement of Financial Activities  
for the year ended 31 December 2013**

|  | Notes | Unrestricted funds<br>£ | Restricted funds<br>£ | Total 2013<br>funds<br>£ | Total 2012<br>funds<br>£ |
|--|-------|-------------------------|-----------------------|--------------------------|--------------------------|
| <b>INCOMING RESOURCES</b>                                    |       |                         |                       |                          |                          |
| <b>Incoming resources from generated funds</b>               |       |                         |                       |                          |                          |
| Voluntary income   | 2     | 330,874                 | 82,935                | 413,809                  | 2,524,712                |
| Activities for generating funds                              | 3     | 20,040                  | -                     | 20,040                   | 13,144                   |
| Investment income  | 4     | 2,706                   | -                     | 2,706                    | 7,991                    |
| <b>Incoming resources from charitable activities</b>         |       |                         |                       |                          |                          |
| Provision of treatments, care and support for people with MS | 5     | 86,541                  | -                     | 86,541                   | 83,606                   |
| <b>Other incoming resources</b>                              |       | -                       | -                     | -                        | 13,500                   |
| <b>Total incoming resources</b>                              |       | 440,161                 | 82,935                | 523,096                  | 2,642,953                |
| <b>RESOURCES EXPENDED</b>                                    |       |                         |                       |                          |                          |
| <b>Costs of generating funds</b>                             |       |                         |                       |                          |                          |
| Fundraising trading: cost of goods sold and other costs      | 6     | 110,832                 | 108                   | 110,940                  | 109,885                  |
| <b>Charitable activities</b>                                 |       |                         |                       |                          |                          |
| Provision of treatments, care and support for people with MS | 7     | 559,636                 | 71,697                | 631,333                  | 492,607                  |
| <b>Governance costs</b>                                      | 9     | 5,367                   | -                     | 5,367                    | 4,536                    |
| <b>Total resources expended</b>                              |       | 675,835                 | 71,805                | 747,640                  | 607,028                  |
| <b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>    |       |                         |                       |                          |                          |
|  |       | (235,674)               | 11,130                | (224,544)                | 2,035,925                |
| <b>Gross transfers between funds</b>                         | 19    | 2,789                   | (2,789)               | -                        | -                        |
| <b>Net incoming/(outgoing) resources</b>                     |       | (232,885)               | 8,341                 | (224,544)                | 2,035,925                |
| <b>RECONCILIATION OF FUNDS</b>                               |       |                         |                       |                          |                          |
| <b>Total funds brought forward</b>                           |       | 3,003,924               | 18,178                | 3,022,102                | 986,177                  |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                           |       | <u>2,771,039</u>        | <u>26,519</u>         | <u>2,797,558</u>         | <u>3,022,102</u>         |

The notes form part of these financial statements

**Balance Sheet**  
**At 31 December 2013**

|  | Notes | Unrestricted funds<br>£ | Restricted funds<br>£ | Total 2013<br>funds<br>£ | Total 2012<br>funds<br>£ |
|--|-------|-------------------------|-----------------------|--------------------------|--------------------------|
| <b>FIXED ASSETS</b>                          |       |                         |                       |                          |                          |
| Tangible assets                              | 13    | 2,703,112               | -                     | 2,703,112                | 2,784,303                |
| <b>CURRENT ASSETS</b>                        |       |                         |                       |                          |                          |
| Stocks                                       |       | 716                     | -                     | 716                      | 527                      |
| Debtors                                      | 14    | 48,173                  | -                     | 48,173                   | 25,848                   |
| Cash at bank                                 |       | <u>311,301</u>          | <u>26,519</u>         | <u>337,820</u>           | <u>577,115</u>           |
|  |       | 360,190                 | 26,519                | 386,709                  | 603,490                  |
| <b>CREDITORS</b>                             |       |                         |                       |                          |                          |
| Amounts falling due within one year          | 15    | <u>(75,527)</u>         | -                     | <u>(75,527)</u>          | <u>(140,729)</u>         |
| <b>NET CURRENT ASSETS</b>                    |       | <u>284,663</u>          | <u>26,519</u>         | <u>311,182</u>           | <u>462,761</u>           |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                         |                       |                          |                          |
|  |       | 2,987,775               | 26,519                | 3,014,294                | 3,247,064                |
| <b>CREDITORS</b>                             |       |                         |                       |                          |                          |
| Amounts falling due after more than one year | 16    | <u>(216,736)</u>        | -                     | <u>(216,736)</u>         | <u>(224,962)</u>         |
| <b>NET ASSETS</b>                            |       | <u><u>2,771,039</u></u> | <u><u>26,519</u></u>  | <u><u>2,797,558</u></u>  | <u><u>3,022,102</u></u>  |
| <b>FUNDS</b>                                 |       |                         |                       |                          |                          |
| Unrestricted funds                           | 19    |                         |                       | 2,771,039                | 3,003,924                |
| Restricted funds                             |       |                         |                       | <u>26,519</u>            | <u>18,178</u>            |
| <b>TOTAL FUNDS</b>                           |       |                         |                       | <u><u>2,797,558</u></u>  | <u><u>3,022,102</u></u>  |

The notes form part of these financial statements

**Chilterns MS Centre Ltd. (Registered number: 02294557)**

**Balance Sheet - continued**  
**At 31 December 2013**

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These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 29 May 2014 and were signed on its behalf by:

J M Osborne BSc FIA-Trustee

N A Brown BA-Trustee

The notes form part of these financial statements

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## 1. ACCOUNTING POLICIES

### **Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

### **Exemption from preparing a cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

### **Donations**

Donations are brought into the financial statements when the asset is deposited into the bank. The gift aid tax that is reclaimable on these donations is recognised in the reserves to which they relate when the tax rebate is received into the bank account. The main gift aid claim for the year is done annually in the following January.

Gifts in kind donated are included at valuation at the date of the gift.

### **Legacies**

This comprises amounts received in the period. Legacies are brought into the financial statements when the assets are converted into cash and the money is deposited into the bank.

### **Grants**

Grants are recognised when paid or received.

### **Service level agreements**

Income from Primary Care Trusts is invoiced and recognised on the accruals basis.

### **Investment income**

Investment income is the total amount received and accrued for in the year.

### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Costs of generating funds are those costs incurred in fundraising to seek voluntary donations and include the salaries and other direct costs of fundraising staff. Costs of generating funds also include the cost of goods sold in support of the Charity.

Charitable activities are costs incurred directly in support of the Charity's objectives and include the costs of running the building used by the Charity.

Governance costs include those incurred with the governance of the Charity and its assets and are primarily associated with the compliance of constitutional and statutory requirements.

### **Allocation and apportionment of costs**

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Administration costs are apportioned 80% to the direct costs of treatments based on time spent.



**Notes to the Financial Statements - continued  
for the year ended 31 December 2013**

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**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Tangible assets are stated at cost less accumulated depreciation. The cost of minor additions or those below £500 are not capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                          |   |
|--------------------------|---|
| Freehold property        | - 20% straight line (50 years)            |
| Plant and machinery etc. | - 10%/33.3% straight line (3 to 10 years) |
| Pool                     | - 6.67% straight line (15 years)          |
| Oxygen chamber           | - 4% straight line (25 years)             |

**Stocks**

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

**Taxation**

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

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Reserves policy**

The Trustees have undertaken to maintain the reserves policy, equating to some eight months average expenditure, to cover costs should there be a drop in funding.

**2. VOLUNTARY INCOME**

|                              | 2013                  | 2012                    |
|------------------------------|-----------------------|-------------------------|
|                              | £                     | £                       |
| Donations from clients       | 126,434               | 103,832                 |
| Gift aid                     | 23,272                | 28,475                  |
| Other donations and legacies | 71,867                | 2,252,114               |
| Fundraising and collections  | <u>192,236</u>        | <u>140,291</u>          |
|                              | <u><u>413,809</u></u> | <u><u>2,524,712</u></u> |

Included in other donations in 2012 were contributions in kind from the developer amounting to £1,503,199 in respect of services provided free of charge, and £150,000 in respect of land donated to the Charity.

Notes to the Financial Statements - continued  
for the year ended 31 December 2013**3. ACTIVITIES FOR GENERATING FUNDS**

|                          | 2013          | 2012          |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Sales                    | 3,669         | 1,887         |
| Membership subscriptions | 9,488         | 9,305         |
| Outside usage            | <u>6,883</u>  | <u>1,952</u>  |
|                          | <u>20,040</u> | <u>13,144</u> |

**4. INVESTMENT INCOME**

|                          | 2013         | 2012         |
|--------------------------|--------------|--------------|
|                          | £            | £            |
| Bank interest receivable | <u>2,706</u> | <u>7,991</u> |

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

|                          | 2013  | 2012             |
|--------------------------|---|------------------|
|                          | Provision of<br>treatments,<br>care and<br>support for<br>people with<br>MS | Total activities |
|                          | £   | £                |
| Contributions from CCG's | <u>86,541</u>   | <u>83,606</u>    |

**6. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS**

|  | 2013           | 2012           |
|--|----------------|----------------|
|  | £              | £              |
| Opening stock                              | 527            | 196            |
| Purchases                                  | 351            | 1,552          |
| Closing stock                              | (716)          | (527)          |
| Staff costs                                | 54,608         | 32,234         |
| Cost of running fundraising events         | 42,676         | 45,418         |
| Cost of trusts and foundations fundraising | <u>13,494</u>  | <u>31,012</u>  |
|  | <u>110,940</u> | <u>109,885</u> |

**7. CHARITABLE ACTIVITIES COSTS**

|  | Direct costs   | Support costs<br>(See note 8) | Totals         |
|--|----------------|-------------------------------|----------------|
|  | £              | £                             | £              |
| Provision of treatments, care and support for people with MS | <u>572,424</u> | <u>58,909</u>                 | <u>631,333</u> |

Notes to the Financial Statements - continued  
for the year ended 31 December 2013**8. SUPPORT COSTS**

|  |                 |
|--|-----------------|
|  | Management<br>£ |
| Provision of treatments, care and support for people with MS | <u>58,909</u>   |

Support costs, included in the above, are as follows:

|                                  | 2013  | 2012             |
|----------------------------------|---|------------------|
|                                  | Provision of<br>treatments,<br>care and<br>support for<br>people with<br>MS | Total activities |
|                                  | £   | £                |
| Trustees' remuneration etc       | -   | 100              |
| Support salaries                 | 54,769  | 36,452           |
| Social security                  | 3,652   | 2,924            |
| Premises expenses                | -   | 2,656            |
| Insurance                        | -   | 400              |
| Travel                           | 488   | 1,246            |
| Telephone                        | -   | 330              |
| Postage, printing and stationery | -   | 1,553            |
| Sundries                         | -   | 625              |
| Professional fees - new Centre   | -   | 19,470           |
| Bank charges                     | -   | 67               |
|                                  | <u>58,909</u>   | <u>65,823</u>    |

**9. GOVERNANCE COSTS**

|   | 2013         | 2012         |
|---|--------------|--------------|
|   | £            | £            |
| Auditors' remuneration                    | 3,428        | 4,000        |
| Auditors' remuneration for non-audit work | <u>1,939</u> | <u>536</u>   |
|   | <u>5,367</u> | <u>4,536</u> |

**10. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

|                                    | 2013     | 2012            |
|------------------------------------|----------|-----------------|
|                                    | £        | £               |
| Auditors' remuneration             | 3,428    | 4,000           |
| Depreciation - owned assets        | 93,865   | 74,245          |
| Hire of plant and machinery        | 11,798   | 16,807          |
| Surplus on disposal of fixed asset | <u>-</u> | <u>(13,500)</u> |

Notes to the Financial Statements - continued  
for the year ended 31 December 2013

**11. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2013 nor for the year ended 31 December 2012.

**Trustees' expenses**

|                    | 2013     | 2012       |
|--------------------|----------|------------|
|                    | £        | £          |
| Trustees' expenses | <u>-</u> | <u>100</u> |

There were no trustees' expenses paid for the year ended 31 December 2013.

**12. STAFF COSTS**

|                       | 2013           | 2012           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 323,303        | 248,699        |
| Social security costs | <u>27,755</u>  | <u>22,938</u>  |
|                       | <u>351,058</u> | <u>271,637</u> |

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

|                      | 2013      | 2012      |
|----------------------|-----------|-----------|
| Therapy staff        | 10        | 9         |
| Administrative staff | 2         | 2         |
| Fundraising staff    | <u>2</u>  | <u>1</u>  |
|                      | <u>14</u> | <u>12</u> |

No employees received emoluments in excess of £60,000.

During the year and last the Charity also used subcontractors to assist with its fundraising and therapy requirements, these costs are included in the costs of generating voluntary income and charitable activities respectively.

Notes to the Financial Statements - continued  
for the year ended 31 December 2013**13. TANGIBLE FIXED ASSETS**

|                       | Land and<br>buildings<br>£ | Plant and<br>machinery etc<br>£ | Totals<br>£      |
|-----------------------|----------------------------|---------------------------------|------------------|
| <b>COST</b>           |                            |                                 |                  |
| At 1 January 2013     | 2,468,960                  | 404,023                         | 2,872,983        |
| Additions             | -                          | 12,674                          | 12,674           |
| At 31 December 2013   | <u>2,468,960</u>           | <u>416,697</u>                  | <u>2,885,657</u> |
| <b>DEPRECIATION</b>   |                            |                                 |                  |
| At 1 January 2013     | 23,190                     | 65,490                          | 88,680           |
| Charge for year       | <u>46,380</u>              | <u>47,485</u>                   | <u>93,865</u>    |
| At 31 December 2013   | <u>69,570</u>              | <u>112,975</u>                  | <u>182,545</u>   |
| <b>NET BOOK VALUE</b> |                            |                                 |                  |
| At 31 December 2013   | <u>2,399,390</u>           | <u>303,722</u>                  | <u>2,703,112</u> |
| At 31 December 2012   | <u>2,445,770</u>           | <u>338,533</u>                  | <u>2,784,303</u> |

Included in cost or valuation of land and buildings is freehold land of £150,000 (2012 - £150,000)

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|               | 2013<br>£     | 2012<br>£     |
|---------------|---------------|---------------|
| Trade debtors | 37,268        | 13,551        |
| Other debtors | <u>10,905</u> | <u>12,297</u> |
|               | <u>48,173</u> | <u>25,848</u> |

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                              | 2013<br>£     | 2012<br>£      |
|------------------------------|---------------|----------------|
| Bank loans and overdrafts    | -             | 76,952         |
| Trade creditors              | 29,902        | 8,120          |
| Taxation and social security | 7,013         | 7,763          |
| Other creditors              | <u>38,612</u> | <u>47,894</u>  |
|                              | <u>75,527</u> | <u>140,729</u> |

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|            | 2013<br>£      | 2012<br>£      |
|------------|----------------|----------------|
| Bank loans | <u>216,736</u> | <u>224,962</u> |

Notes to the Financial Statements - continued  
for the year ended 31 December 2013**17. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

|                            | 2013<br>£    | 2012<br>£    |
|----------------------------|--------------|--------------|
| Expiring:                  |              |              |
| Between one and five years | <u>8,456</u> | <u>4,218</u> |

**18. SECURED DEBTS**

The following secured debts are included within creditors:

|            | 2013<br>£      | 2012<br>£      |
|------------|----------------|----------------|
| Bank loans | <u>216,736</u> | <u>301,914</u> |

The bank loan is secured by a first legal charge over the freehold property of the Charity and all associated assets. The Charity entered into a bank loan agreement for £475,000 so as to finance its new building. This loan was entered into for a period of 4 years and 11 months at an interest rate of 3.25% (2.75% above base rate). During the year the Charity's bankers agreed to a 12 month capital repayment holiday commencing January 2014. The trustees believe that the Charity will receive sufficient donations to be able to repay this loan in line with its terms.

**19. MOVEMENT IN FUNDS**

|                                    | At 1/1/13<br>£          | Net movement<br>in funds<br>£ | Transfers<br>between funds<br>£ | At 31/12/13<br>£        |
|------------------------------------|-------------------------|-------------------------------|---------------------------------|-------------------------|
| <b>Unrestricted funds</b>          |                         |                               |                                 |                         |
| General fund                       | 3,003,924               | (235,674)                     | 2,789                           | 2,771,039               |
| <b>Restricted funds</b>            |                         |                               |                                 |                         |
| Occupational therapy staff         | 8,778                   | (4,240)                       | -                               | 4,538                   |
| Carers staff                       | 7,814                   | (4,497)                       | -                               | 3,317                   |
| Staff uniforms                     | 62                      | (53)                          | -                               | 9                       |
| Oxygen and general operating costs | 1,500                   | (1,000)                       | -                               | 500                     |
| Web-site                           | 24                      | (24)                          | -                               | -                       |
| Hydro physiotherapy                | -                       | 11,987                        | -                               | 11,987                  |
| Reception till                     | -                       | 150                           | -                               | 150                     |
| Settlement of loan                 | -                       | 5,000                         | -                               | 5,000                   |
| Equipment for cafe                 | -                       | 450                           | (149)                           | 301                     |
| Hand driers                        | -                       | 2,640                         | (2,640)                         | -                       |
| Printing costs for exhibition      | -                       | 17                            | -                               | 17                      |
| Copier for oxygen therapy chamber  | -                       | 200                           | -                               | 200                     |
| Coin/cash counter                  | -                       | 500                           | -                               | 500                     |
|                                    | <u>18,178</u>           | <u>11,130</u>                 | <u>(2,789)</u>                  | <u>26,519</u>           |
| <b>TOTAL FUNDS</b>                 | <u><u>3,022,102</u></u> | <u><u>(224,544)</u></u>       | <u><u>-</u></u>                 | <u><u>2,797,558</u></u> |

**Notes to the Financial Statements - continued  
for the year ended 31 December 2013**
**19. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

|                                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|------------------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b>          |                            |                            |                           |
| General fund                       | 440,161                    | (675,835)                  | (235,674)                 |
| <b>Restricted funds</b>            |                            |                            |                           |
| Occupational therapy staff         | 10,000                     | (14,240)                   | (4,240)                   |
| Clinical staff                     | 23,000                     | (23,000)                   | -                         |
| Carers staff                       | 870                        | (5,367)                    | (4,497)                   |
| Staff uniforms                     | -                          | (53)                       | (53)                      |
| Oxygen and general operating costs | 10,000                     | (11,000)                   | (1,000)                   |
| Web-site                           | -                          | (24)                       | (24)                      |
| Hydro physiotherapy                | 30,000                     | (18,013)                   | 11,987                    |
| Reception till                     | 150                        | -                          | 150                       |
| Settlement of loan                 | 5,000                      | -                          | 5,000                     |
| Equipment for cafe                 | 450                        | -                          | 450                       |
| Hand driers                        | 2,640                      | -                          | 2,640                     |
| Printing costs for exhibition      | 125                        | (108)                      | 17                        |
| Copier for oxygen therapy chamber  | 200                        | -                          | 200                       |
| Coin/cash counter                  | 500                        | -                          | 500                       |
|                                    | <u>82,935</u>              | <u>(71,805)</u>            | <u>11,130</u>             |
| <b>TOTAL FUNDS</b>                 | <u>523,096</u>             | <u>(747,640)</u>           | <u>(224,544)</u>          |

The Occupational Therapy Staff fund relates to donations received by the Charity where the donor has stated they wish for the donation to be spent on wages for occupational therapy staff.

The Clinical Staff fund relates to donations received by the Charity where the donor has stated they wish for the donation to be spent on wages for clinical staff.

The Oxygen and General Operation Costs fund relates to donations received by the Charity where the donor has stated they wish for the donation to be spent on the operational costs of the oxygen chamber.

The Hydro Physiotherapy fund relates to donations received by the Charity where the donor has stated they wish for the donation to be spent on the provision of hydrotherapy.

The Settlement of Loan fund relates to donations received by the Charity where the donor has stated they wish for the donation to be spent on repayment of the Charity's loan to finance the new building.

Sufficient resources were held in an appropriate form for restricted funds at the balance sheet date to enable each fund to be applied in accordance with any restrictions.

**20. RELATED PARTY DISCLOSURES**

There were no related party transactions during the year ended 31 December 2013 or 2012.

**21. ULTIMATE CONTROLLING PARTY**

Chilterns MS Centre Limited is an incorporated charity under the control of the trustees collectively.

**22. COMPANY LIMITED BY GUARANTEE**

The liability of each member is limited to £1 by guarantee.