

Neuromuscular Centre

Registered Charity No 1023606

Sole Trustee

Muscular Dystrophy Group of Great Britain and Northern Ireland

Management Committee Members

J Connor (Centre User)
C Cryne (Muscular Dystrophy Campaign
- appointed 1/10/01)
D Cundall (Centre User)
M Cundall (Centre User)
B Dale (Centre User)
J W Edwards
A Farren (Chairman)
L Grzadzielewska (Centre User)
D Leather (Centre User)
H Murrent (Centre User - appointed 17/5/01)
J Naylor
D O'Hora
Dr R Quinliven
D Wilbur (Centre User)
L Woolley (Centre User)



Secretary to the Company

M Cundall

Company Number

2806607 (England and Wales)

Registered Charity Number

1023606

Registered Office

Neuromuscular Centre
Woodford Lane West
Winsford
Cheshire CW7 4EH

Solicitors

Barrow & Cook
5/7 Victoria Square
St Helens
Merseyside WA10

Auditors

BDO Stoy Hayward
Emerald House
East Street, Epsom
Surrey, KT17 1HS

Bankers

Barclays Bank plc
21 Dingle Walk
Winsford
Cheshire CW7 1AG

Neuromuscular Centre

REPORT OF THE TRUSTEE'S FOR THE YEAR ENDED 31 DECEMBER 2001

The Neuromuscular Centre aims to promote and provide opportunities for people with a neuromuscular condition to live fuller lives through training, sheltered employment, and physiotherapy, together with advice and support for themselves and their families.

Policies

The unique combination of services provided by the charity is offered directly to individuals and their families in the North West and to others country wide, where practicable. The charity has established a small, well respected, graphic arts business, NMC Trading Ltd, in which the variety of skills and talents of the individuals can be employed, developed and rewarded through therapeutic earnings. The charity provides wheelchair adapted transport for individuals attending the business. Physical management programmes are tailored to the needs of each individual, depending on their type of dystrophy and physical condition, through weekly sessions of physiotherapy and hydrotherapy. As a 'centre of excellence' in the physical management of muscular dystrophy, the charity offers help and advice to other organisations world wide.

Activities, achievements and developments during the period

2001 was another exciting and challenging year for the Neuromuscular Centre (NMC). Following on from the successful job-sharing take over by two young centre users, both of whom have muscular dystrophy, of the role of Business Manager, in September one of the two became a full time member of staff. While maintaining and developing his role as Business Manager, he has also undertaken the additional responsibilities for Human Resources and Health and Safety at Work. Both the full, and the part time Business Managers have grown into their roles and now undertake all the financial administration for the whole centre.

The very successful public awareness campaign which has been waged in previous years bore considerable fruit last year. A new annual event was established, known as 'Gorgeous Grub at the Grosvenor', with the appearance of a celebrity chef who creates a superlative menu, and joins ticket holders to sample the gourmet dinner held at Cheshire's most prestigious venue, The Chester Grosvenor Hotel. At the same hotel, last summer, NMC President Matthew Kelly entertained a group of directors and managers from seven local and national companies at a President's Luncheon, an occasion which allowed both the NMC and the attending company representatives to strengthen the developing relationships in a positive and convivial atmosphere.

The voluntary fundraising committee which supports the activities of the centre held a very successful Michaelmas Ball in a marquee in South Cheshire. Despite gale force winds and torrential rain, more than two hundred local supporters danced the night away to Zoot Serious and a Bellyful of Pop!

Alternative energetic activities to support the NMC last year included participants in both the London Marathon, and the 10K Memorial Road Race through central London. The annual Linedance Extravaganza, organised and run entirely by users of the centre and supported by Cheshire Building Society attracted an even greater number of devotees, and a football match between cast members of Hollyoaks and Brookside and our own Cheshire Fire Brigade caught the imagination of local fans and followers - who were delighted to see the firefighters win a close fought match on penalties. In September the final sporting contribution of the year was made by nineteen nervous volunteers who, with considerable

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TRUSTEE'S REPORT - continued FOR THE YEAR ENDED 31 DECEMBER 2001

trepidation and great determination completed an abseil down the west face of Chester Cathedral.

The growth in support at regional level from all walks of life was most apparent in the success of the sixth Spirit of Christmas carol concert in Chester. Tickets for this December event went on sale in July, and sold out in the early autumn. A cast of celebrated actors enchanted and entertained an appreciative audience from all over the north west and beyond, marking the beginning of the festive season for us all, whilst once again highlighting the needs of people with muscular dystrophy and raising the awareness of the NMC as a unique and remarkable regional and national resource.

Training

In 2001 the Centre's part time trainer once again offered the nationally accredited computer based graphic design and IT course created and assessed by EMFEC, the '431 Certificate in Information Technology Core Module'. The course was specifically designed for individuals with muscular dystrophy, by the NMC trainer and the local college of further education. Seven new trainees undertook the course last year, in addition five more trainees passed the course and of them four have begun a development qualification at City and Guilds level.

Graphic Design Services.

In 2001 the NMC and its trading subsidiary NMC Design gave salaried part time employment to three young people with md, salaried full time employment to one individual with md, and offered sheltered employment opportunities to a further six, all of whom earned therapeutic wages.

The combination of two new members of staff, a Head of Design, who has md, and a full time Design and Print Consultant, both supported for a second year by Granada Television's 'Live Challenge' appeal, has made an enormous impact on the trading subsidiary's figures - NMC Design was able to treble its turnover last year, and whilst retaining many of its regular customers such as Cheshire Fire Brigade, MBNA, Disability Awareness Groups, Lions Groups, Rotary Clubs and RAOBs, new notable customers included Shoplan, Guy Salmon Jaguar Group, Mid Cheshire College, Venture Business Forms, Chernobyl Affected Children and The Discovery Store.

Physiotherapy

The Physiotherapy Service has had a challenging year. The need for our services never diminishes, last year our regular list of clients topped over one hundred drawing from a wider region stretching from Lancashire to the West Midlands, from North Wales to Yorkshire, and the number of requests for assessments grew both in number and in distance people were prepared to come. As the only centre of excellence of its kind in the country, the NMC is in enormous demand and the physiotherapy department have worked tirelessly in 2001 to maintain the physical regimes of the ever increasing number of regular clients whilst answering the needs of those throughout the UK who have asked for advice, help and assessment.
Support.

In 2001, as a result of discussions with staff and users of the Centre, the NMC Support Group has now become the responsibility of a Support Committee consisting entirely of users of the Centre. Regular evening meetings are being developed with input from external speakers who will cover a variety of subjects suggested by the group itself. The

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TRUSTEE'S REPORT - continued FOR THE YEAR ENDED 31 DECEMBER 2001

energy and commitment that the committee has already generated amongst our growing support group is exciting and commendable.

Financial Performance

The charity had a steady year in 2001 consolidating on the significant increase in income achieved in the previous year. 2001 £326,640 (2000: £313,187) - an increase of 4.3% due to the continued success of flagship events such as 'Spirit of Christmas'.

Total expenditure was well controlled and has declined to £339,919 (2000: £379,672) a reduction of 10.5%. Taking this with the income the charity returned a loss for the year of £13,279 (2000: £66,485).

Although total reserves have declined slightly they still represent 4 months usual running costs and the ultimate parent provides working capital through inter-company debt.

Staff and volunteers

A second successful Staff Day was held in 2001, with plans already in hand for a third on in the summer of 2002. Staff Appraisals now fully in place have proved to be a positive and enjoyable system, which has not only improved communication and identified training needs but has also helped the NMC team plan for the short, medium and long term future.

The voluntary fundraising committee has grown in numbers and in confidence and has proved invaluable in raising awareness and financial support for the Centre, and in underpinning many of then on-going activities of the Centre.

Our celebrity support has again this year been quite extraordinary, and we were delighted to welcome actress and singer Claire Sweeney, who joined actress Geraldine James, and Elizabeth Bromley Davenport as Vice Presidents of the Neuromuscular Centre supporting our President, the dynamic Matthew Kelly who has worked tirelessly with the whole NMC team of users, staff and volunteers to achieve such a successful and positive 2001.

By order of the Trustee



M D Brackpool
Secretary to the Trustee

7 March 2002

Neuromuscular Centre

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

Company Law requires the Trustee, as the director of the company, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of its surplus or deficit for that period. In preparing those financial statements, the Trustee is required to:

- select suitable accounting policies and apply them consistently;
- 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 company will continue to operate.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable it to ensure that the financial statements comply with the Companies Act 1985. It is 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.

Neuromuscular Centre

REPORT OF THE INDEPENDENT AUDITORS REPORT TO THE MEMBER OF THE NEUROMUSCULAR CENTRE

We have audited the financial statements of the Neuromuscular Centre for the year ended 31st December 2001, set out on pages 8 to 15. These financial statements have been prepared under the accounting policies set out on page 10.

Respective responsibilities of Trustees and Auditors

The Trustee's responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustee's Responsibilities on page 5. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustee's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustee's remuneration and transactions with the company is not disclosed.

We read other information contained in the annual report and consider whether it is consistent with the audited financial statements. This other information comprises only of the Trustee's Report and the Statement of Trustee's Responsibilities. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

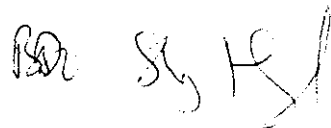
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Neuromuscular Centre

REPORT OF THE INDEPENDENT AUDITORS REPORT TO THE MEMBER OF THE NEUROMUSCULAR CENTRE (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company at 31 December 2001 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO Stoy Hayward
Chartered Accountants
& Registered Auditors
Epsom, Surrey

7 March 2002

Neuromuscular Centre

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	Unrestricted £	Restricted £	2001 Total £	2000 Total £
Incoming Resources					
Donations & Gifts		141,251	65,705	206,956	232,012
Activities for generating funds					
Events		58,823	-	58,823	42,116
Trading Income		57,630	-	57,630	37,189
Investment income		2,531	-	2,531	1,870
Gain on Disposal of Fixed Assets		700	-	700	-
Total Incoming Resources		<u>260,935</u>	<u>65,705</u>	<u>326,640</u>	<u>313,187</u>
Cost of Generating Funds		<u>55,490</u>	<u>-</u>	<u>55,490</u>	<u>64,643</u>
Available for Charitable Expenditure		<u>205,445</u>	<u>65,705</u>	<u>271,150</u>	<u>248,544</u>
Charitable Expenditure					
Direct charitable expenditure		156,769	106,290	263,059	297,083
Management and administration of the charity		21,370	-	21,370	17,946
Total Charitable Expenditure	2	<u>178,139</u>	<u>106,290</u>	<u>284,429</u>	<u>315,029</u>
Transfers between funds		<u>(57,730)</u>	<u>57,730</u>	<u>-</u>	<u>-</u>
Net Incoming/(Outgoing) Resources for the year		<u>(30,424)</u>	<u>17,175</u>	<u>(13,279)</u>	<u>(66,485)</u>
Funds brought forward at 1 January		<u>73,194</u>	<u>12,261</u>	<u>85,455</u>	<u>151,940</u>
Funds carried forward at 31 December.	7	<u>42,770</u>	<u>29,406</u>	<u>72,176</u>	<u>85,455</u>

All disclosures only relate to continuing operations.

There are no recognised gains or losses other than those disclosed in the financial statements.

The notes on pages 10 to 15 form part of these financial statements.

Neuromuscular Centre

BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2001

	Note	2001 £	2000 £
Fixed Assets			
Tangible assets	3	169,342	177,994
Investment in subsidiary	4	9	9
		<u>169,351</u>	<u>178,003</u>
Current Assets			
Debtors	5	25,656	26,093
Cash at bank		<u>56,579</u>	<u>84,542</u>
Total Current Assets		82,235	110,635
Creditors: amounts falling due within one year	6	<u>(179,410)</u>	<u>(203,183)</u>
Net Current Liabilities		(97,175)	(92,548)
Net Assets		<u>72,176</u>	<u>85,455</u>
Represented by			
Restricted Funds		29,406	12,261
Unrestricted Funds		<u>42,770</u>	<u>73,194</u>
Total Funds	7	<u>72,176</u>	<u>85,455</u>

The notes on pages 10 to 15 form part of these financial statements.

On behalf of the Trustee on 7 March 2002



M D Brackpool
Secretary to the Trustee

Neuromuscular Centre

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

1 Accounting Policies

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards including the Statement of Recommended Practice, 'Accounting and Reporting by Charities 2000'.

Consolidation

The financial statements of Neuromuscular Centre and its subsidiary NMC Trading Ltd are consolidated into the financial statements of the ultimate parent company and so consolidated financial statements are not prepared for the Neuromuscular Centre intermediate group by virtue of the exemption granted by S.228 Companies Act 1985.

Income

Donations and other income are recognised on receipt or accrued as income so soon as it is prudent and practicable to do so.

Grants for specific purposes are accounted for as restricted funds. Grants in respect of expenditure on fixed assets are treated as restricted income and transferred to unrestricted funds once the conditions of the gift are met.

Expenditure

All expenditure is recognised on an accruals basis and includes irrecoverable VAT where appropriate.

Charitable expenditure includes all expenditure incurred in pursuance of the charity's objectives, including staff and other costs which are shown as 'other costs'. Indirect costs, which have been apportioned on the basis of time allocation, are shown as 'support costs'.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold properties-	Straight line over the life of the lease
Other equipment -	Straight line over 4 years.

Tax Status

The company is a registered charity and is not subject to corporation tax on its current activities.

Neuromuscular Centre

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (continued)

2 Charitable Expenditure

	Direct Costs		Support	Total	Total
	Grants & Donations	Other	Costs	2001	2000
	£	£	£	£	£
Direct Charitable Expenditure					
Training & Trading	86,100	13,613	82,282	181,995	211,311
Physiotherapy	-	76,196	4,868	81,064	85,772
Total	86,100	89,809	87,150	263,059	297,083
Management and Administration					
Audit Fee	-	764	-	764	543
Other Costs	-	20,606	-	20,606	17,403
Total	-	21,370	-	21,370	17,946
Total Resources Expended	<u>86,100</u>	<u>111,179</u>	<u>87,150</u>	<u>284,429</u>	<u>379,672</u>

Employee Information	2001	2000
	£	£
Remuneration of Staff		
Wages and Salaries	171,131	155,339
Social Security Costs	11,915	13,976
Pension Costs	6,137	6,940
Total	<u>189,183</u>	<u>176,255</u>

Disclosure Information

The average number of employees during the year was 13 (2000: 15), of which 2 (2000: 2) were involved in administration, the balance of 11 being devoted to direct charitable purposes (2000: 13).

No employee earned more than £40,000 per annum. No expenses were reimbursed to the Trustee.

NMC offers defined contributions to employees pension arrangements. This is either to an employee's portable scheme or to a funded occupational pension scheme managed by the Equitable Life Assurance Company. Contributions are charged in the financial statements as incurred and there were no outstanding contributions at the balance sheet date.

Neuromuscular Centre

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (continued)

3 Tangible Assets

	Leasehold Land & Buildings £	Other Equipment £	Total £
Cost			
At 1 January 2001	243,521	31,796	275,317
Additions	-	18,655	18,655
Disposals	-	-	-
At 31 December 2001	<u>243,521</u>	<u>50,461</u>	<u>293,982</u>
Depreciation			
At 1 January 2001	81,898	15,425	97,323
Charge for year	14,705	12,612	27,317
Disposals	-	-	-
At 31 December 2001	<u>96,603</u>	<u>28,037</u>	<u>124,640</u>
Net book value			
At 31 December 2001	<u>146,918</u>	<u>22,424</u>	<u>169,342</u>
At 31 December 2000	<u>161,623</u>	<u>16,371</u>	<u>177,994</u>

All tangible assets are used in functions of the charity and are shown at written down cost. All material assets are used for direct charitable expenditure.

4 Investment in Subsidiary

Cost at 1 January 2001 and 31 December 2001 £ 9

In the opinion of the Trustee the aggregate value of the charity's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The subsidiary is the Charity's wholly owned trading subsidiary and its details are as follows:

Company	Country of Registration	Shares held Class	%
NMC Trading Limited	England and Wales	Ordinary	<u>100</u>

The aggregate amount of capital and reserves and the results of this undertaking for the last relevant financial year were as follows:

	Capital and Reserves 2001 £	Profit for the year 2001 £	Capital and Reserves 2000 £	Profit for the year 2000 £
NMC Trading Limited	<u>7,019</u>	<u>6,538</u>	<u>481</u>	<u>38,045</u>

Neuromuscular Centre

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (continued)

5 Debtors

	2001 £	2000 £
Amounts owed by related undertakings	13,300	13,300
Other debtors	12,356	12,793
	<u>25,656</u>	<u>26,093</u>

6 Creditors: amounts falling due within one year

	2001 £	2000 £
Trade creditors	1,920	574
Amounts owed to related undertakings	176,785	151,322
Accruals and Deferred Income	705	51,287
	<u>179,410</u>	<u>203,183</u>

All related undertaking balances are unsecured and do not bear interest.

7 Funds

	Balance at 1 January 2001 £	Movement in Resources Incoming £	Outgoing £	Transfers between Funds £	Balance at 31 December 2001 £
Restricted Funds					
Equipment	1,485	21,600	(23,176)	3,000	2,909
Physiotherapy	2,155	17,250	(15,240)	-	4,165
Other Funds	8,621	26,855	(67,874)	54,730	22,332
	<u>12,261</u>	<u>65,705</u>	<u>(106,290)</u>	<u>57,730</u>	<u>29,406</u>
Unrestricted Funds					
General Funds	73,194	260,935	(178,139)	(57,730)	42,770
Total Funds	<u>85,455</u>	<u>324,640</u>	<u>(284,429)</u>	<u>-</u>	<u>72,176</u>

'Other funds' includes £ Nil (2000: £13,299) from the National Lotteries Charities Board. Transfers reflect approved changes to asset definitions.

Neuromuscular Centre

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (continued)

7 Funds (continued)

Represented by:

	Fixed Assets	Investment in	Net Current	Total
	£	Subsidiary	Assets/(Liabilities)	2001
	£	£	£	£
Restricted Funds				
Equipment Fund	-	-	2,909	2,909
Physiotherapy Fund	-	-	4,165	4,165
Other funds	-	-	22,332	22,332
Total	-	-	29,406	29,406
Unrestricted Funds				
General Funds	169,342	9	(126,581)	42,770
Total Funds	<u>169,342</u>	<u>9</u>	<u>(97,175)</u>	<u>72,176</u>

- The Equipment Fund represents unspent donations given for equipment purchase.
- The Physiotherapy Fund represents unspent donations given towards physiotherapy equipment.
- 'Other Funds' represent other restricted income, which was not fully expensed during the year.

8. STATUS OF CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1. The charitable company does not use "Limited" in its name by virtue of S.30 of the Companies Act 1985.

9. CONNECTED CHARITY

The Neuromuscular Centre is connected to the Joseph Patrick Memorial Trust of 7-11 Prescott Place, London SW4 6BS in that its sole trustee is the Muscular Dystrophy Group of Great Britain and Northern Ireland and has similar objectives in relation to muscular dystrophy.

Neuromuscular Centre

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (continued)

10. RELATED PARTIES

In the Trustee's opinion, the charity's ultimate parent company and controlling party is the Muscular Dystrophy Group of Great Britain and Northern Ireland (a company limited by guarantee) registered in England and Wales.

Copies of the consolidated financial statements are available from 7-11 Prescott Place, London SW4 6BS.

Accordingly, advantage has been taken of the exemption from disclosing transactions and balances with other group companies as permitted by Financial Reporting Standard No 8.