

Charity Registration No. 1023606

Company Registration No. 2806607 (England and Wales)

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

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**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	S Clough D Coy A Craig G Edwards (Chair) D Leather E Sands S McDowell (not a director) R Quinlivan (not a director)
Chief Executive	M Lanham
Secretary	B Dale
Charity number	1023606
Company number	2806607
Registered office	Woodford Lane West Winsford Cheshire CW7 4EH
Auditors	BWM Castle Chambers 43 Castle Street Liverpool L2 9SH
Bankers	Barclays Bank PLC 21 Dingle Walk Winsford Cheshire CW7 1AG Coventry Building Society Economic House P O Box 9 High Street Coventry CV1 5QN
Solicitors	Barrow & Cook 5-7 Victoria Square St Helens Merseyside WA10 1HH

NEUROMUSCULAR CENTRE COMPANY LIMITED BY GUARANTEE CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the accounts	13 - 26

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

The trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

Objectives and activities

The NMC is the Centre of Excellence for people with Muscular Dystrophy.

Charitable objects

The objects of the NMC are to promote and provide opportunities for people with a neuromuscular condition to live fuller lives through training, employment and physiotherapy, together with advice and support for themselves and their families and carers.

Mission

The NMC's mission is to work together with people affected by muscle diseases, creating an environment where full potential and positive wellbeing are achieved, through employment, training, support and physiotherapy.

Aims and activities

The NMC aims to be largely user led and to provide a range of services for people affected by muscle disease. Although service users are predominantly from within a 100 mile radius of Winsford, Cheshire, many attend the Centre from across the UK and Europe. The range of services includes:

- Physiotherapy assessments
- Physiotherapy treatments
- Hydrotherapy
- Active exercise programmes
- Advice and support
- Supporting families in transition
- Provide personal care
- Support and breaks for carers
- Accredited Graphic Design Training courses - NCFE and BTEC
- Accredited IT Training courses
- Employment opportunities in Graphic Design (in the Social Enterprise; NMC Design+Print), Administration and Fundraising.
- Provide transport for Students and Employees to enable maximum independence and opportunity.

The unique combination of services provided by the charity are offered directly to individuals and their families across the UK. Where practicable, physical management programmes are tailored to the needs of each individual, depending on their type of dystrophy and physical condition, through regular sessions of physiotherapy and hydrotherapy. As a 'centre of excellence' in the physical management of muscular dystrophy and related neuromuscular conditions, the charity offers help and advice to other organisations worldwide.

The charity has established a well-respected graphic design business, NMC Design+Print, in which the variety of skills and talents of the individuals can be employed, developed and rewarded under both salaried and permitted work arrangements. The NMC provides wheelchair-adapted transport for individuals attending the Centre.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

NMC strategies - Strategy Overview for 2016-2019

There are 8 strategic objectives:

Our Eight Strategic Priorities to achieve our goals are:

- 1. Meeting the demands for our services** throughout the new build upheavals while maintaining our culture, values, levels of satisfaction and achievements.
- 2. Realising the potential of the new building** by delivering expanded, innovative services, encouraging entrepreneurialism, delivering conference facilities and reviewing processes, systems and databases to meet demand.
- 3. Reviewing "people resources"** to meet increased demands including mini bus drivers/carers, site caretaker/handyman, conference manager.
- 4. Changing our approach to training & development**, by reviewing life skills and college delivery needs, meeting 13-25 year olds' and users' support needs.
- 5. Meeting the challenges of the changing marketplace** by focusing on the demand for Design and Print's distinctive, creative and talented design skills, while retaining the full functionality of a traditional D&P company.
- 6. Expanding transition services for 13-25 year olds** through placements, work experience, well-being activities, structured training and development support.
- 7. Revising IT infrastructure and systems** to meet user-led, more interactive/ social enterprise-related support needs, using IT to spearhead the wide range of new ideas, interactive "chat" helplines on web site, instant access support information, appointment reminders for users and social media communications.
- 8. Building on our excellent communications and centre of excellence reputation**, with a targeted range of communications to raise awareness of our reputational standing with all our stakeholder groups and the wider community, and to reassure during the building disruption.

Volunteer help

NMC has a strong group of volunteers working in:

- Fundraising - mainly supporting events.
- Physiotherapy – helping and supporting the professional Physiotherapists.
- Board of Trustees – providing scrutiny, oversight, advice, guidance and strategic direction
- Also we have volunteers helping with carpentry, gardening, odd-jobs and building maintenance.

Public Benefit

The charity trustees consider that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and that the benefits that the charity provides are not unreasonably restricted.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

Achievements and performance

Performance against Objectives for 2016-17

These were the objectives;

- Manage the Build Project to expand NMC by 70% in a way that ensures Physical and Financial targets are achieved. Specifically ensuring;
- Continued uninterrupted safe service for all; Involvement of Staff and Service Users so that our community feels that they are part of shaping what is achieved.
- Continue to work to develop and expand Design and Print. Getting the Social Enterprise ready to fully exploit the opportunity of their new "front of house" position in expanded NMC.
- Nurture and develop burgeoning enterprises within NMC – notably Shed Club and Garden/Allotment club.
- Work with Keepmoat (Contractor on neighbouring site) to ensure NMC and our users are kept safe and not inconvenienced.
- Commit to the King's Fund winners network and Cascading Leadership programme and bring maximum benefits back to NMC from learning and benchmarking.
- Negotiate and finalise a new extended lease period for NMC with CWAC. *NMC has agreed a new 60 year peppercorn lease to begin later in 2017*
- Plan a refreshed future for NMC Training to better reflect current demand and need.
- Build on the outstanding success of NMC's first ever Symposium event and develop more similar events to help broaden understanding of our work.

All achieved.

The completion of the major building development project at the Centre during the year is of historic importance to our charity. This activity on site, and the funding activity to make it possible, has dominated many aspects of the NMC year. Nonetheless we have been pleased and proud to have maintained all our usual services throughout the whole building project. This avoidance of major disruption, along with a finished new building offering huge new potential, has been an incredible achievement resulting from great teamwork and great contractors.

Fundraising performance

Trust and corporate income £454k

Community donations £296k

Events income £119k

Statutory income £428k

Design+Print income £89k

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

Plans for 2017-18

- Develop a more "whole family" approach to the work of the charity. Aim to support more siblings, parents and partners as well as those with a neuromuscular condition.
- Consider the opportunities and implications of the new 60 year peppercorn lease for the NMC site.
- Explore and plan to develop psychology services.
- Continue to reshape the NMC's Learning and Training offer. As well as Graphic Design courses, develop Music, Animation, Photography, Life Skills and more to meet a wider range of demand.
- Develop Social Enterprise activity further. Maximise the opportunity provided by the new customer entrance to the Design and Print studio to grow the trading activity.
- Develop the new Family and Professional Event Space and market it to a variety of external groups to encourage a wider range of people to come to NMC.
- Develop the Specialist Accessible Gym. Enable this to become a drop-in facility and consider extended opening, including on Saturdays.
- Continue to work closely with local University research teams. We will particularly work with the MMU Researchers working on the impact of exercise on muscular dystrophy.
- Work with Keepmoat to ensure satisfactory new boundary arrangements for our site and maximising opportunities to enhance our site visually and functionally.
- As winners of the Queen's Award for Voluntary Service we will plan to maximise the benefits for NMC and our volunteers.
- We will continue to play an active role in the King's Fund GSK IMPACT Award winners national network. We will aim to bring new learning and approaches from this network to strengthen and develop NMC further.

Financial review

- An exceptionally strong financial performance based on a wide variety of sustainable income streams.
- An excellent fundraising performance has enabled our overall excellent financial performance.
- We plan that Design+Print revenues will grow further in the next 12 months.
- The NMC has some assets in the form of the building it has on land leased from Cheshire West and Chester Council but no up to date valuation is available.
- NMC holds no other substantial asset beyond its minibuses, day to day office, physio and IT equipment.
- NMC has consistently maintained total unrestricted reserves at 4 month running costs throughout 2016-17.

Reserves policy

NMC recognises the need to build and maintain adequate reserves, to ensure that the charity has a financial buffer proportionate to its normal scale of operations. In doing so, this will reduce the financial risk to the charity and help ensure that its services are sustainable.

The policy sets out a goal of staying above the following thresholds:

1. A minimum amount of total unrestricted reserves of £250,000
2. A minimum amount of net current assets of £130,000 of which cash and marketable investments must not be less than £90,000

The overall total is equivalent to approximately 4 months of annual spend and approximately 6 months of annual payroll. The Trustees believe that this is a reasonable and proportionate "buffer" to retain against the risk of unseen problems.

The current reserves level is £974k, with free reserves being £177k. The NMC's planned building expansion will offer opportunities to increase service delivery, and also provide other new services. Reserves have been built to enable the NMC to properly fund the enhanced offering post-build.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

Risk management

A register of risks is maintained and reviewed regularly by the Trustees.

The following risks have been identified as the most significant for the charity:

- Financial sustainability; recognising that maintaining income levels is essential to the charity's financial sustainability. The charity continues to monitor the risks associated with its diverse voluntary income streams
- Reputation and brand; the charity monitors the risks associated with all aspects of reputation and has put in place strategies to reach and engage with beneficiaries and other organisations.
- Recruitment and retention of staff: the charity aims to be an organisation where staff are supported and developed and where employees have a sense of fulfilment. During the year all managers participated in a bespoke management development programme to extend their skills.

Structure, governance and management

The Neuromuscular Centre (NMC) is a registered charity, incorporated as a company limited by guarantee. The charity registration number is 1023606 and the company registration number is 2806607.

The NMC has a wholly owned dormant subsidiary, NMC Trading Limited.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

S Clough
D Coy
A Craig
G Edwards (Chair)
D Leather
E Sands
S McDowell (not a director)
R Quinlivan (not a director)

Appointment of trustees

The charity appointed its Board of Trustees from 1 April 2012. As vacancies arise new Trustees are appointed.

Trustee induction and training

Newly appointed trustees receive comprehensive induction including training on their duties and responsibilities under company and charity law and also an induction into the activities, operational plans and financial performance of the charity.

Organisation

The Board of Trustees is ultimately responsible for the management of the Neuromuscular Centre. The Board will meet quarterly. A Chief Executive, with delegated authority, is appointed by and accountable to the trustees for managing the day-to-day operations of the NMC and the delivery of operational plans.

The remuneration arrangements for all staff are reviewed annually by the Chair of Trustees and Chief Executive having benchmarked pay levels in the relevant employment roles and sectors and mindful of changes to the UK cost of living indices. The Trustee Board approve the overall remuneration settlement as part of the annual budget setting process.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

Auditor

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

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Small company provisions

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

On behalf of the board of trustees

5 October 2017

G Edwards (Chair)

Trustee



**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2017**

The trustees, who are also the directors of NeuroMuscular Centre for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NEUROMUSCULAR CENTRE**

We have audited the accounts of NeuroMuscular Centre for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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 and regulations made under that Act. 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of NeuroMuscular Centre for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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, based on the work undertaken in the course of our audit, the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts, and the Trustees' Report has been prepared in accordance with applicable legal requirements.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF NEUROMUSCULAR CENTRE**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 accounts 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 in preparing the trustees' report (which is also the directors' report for the purposes of company law) and take advantage of the small companies exemption from the requirement to prepare a strategic report.



**Lesley Malkin BA FCA (Senior Statutory Auditor)
for and on behalf of BWM**

13 October 2017

**Chartered Accountants
Statutory Auditor**

Castle Chambers
43 Castle Street
Liverpool
L2 9SH

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

		Unrestricted funds	Restricted funds	Total 2017	Total 2016
	Notes	£	£	£	£
<u>Income from:</u>					
Donations and legacies	3	373,392	376,884	750,276	532,305
Charitable activities	4	516,434	-	516,434	539,624
Fundraising events	5	118,889	-	118,889	123,458
Investments	6	2,821	-	2,821	2,012
Other	7	500	-	500	-
Total income		1,012,036	376,884	1,388,920	1,197,399
<u>Expenditure on:</u>					
Raising funds	8	173,997	-	173,997	149,596
Charitable activities	9	850,902	44,894	895,796	763,038
Total expenditure		1,024,899	44,894	1,069,793	912,634
Net (expenditure)/income		(12,863)	331,990	319,127	284,765
Transfers between funds	22	422,675	(422,675)	-	-
Net income/(expenditure) for the year/ Net movement in funds		409,812	(90,685)	319,127	284,765
Reconciliation of funds					
Fund balances at 1 April 2016		563,811	90,685	654,496	369,731
Fund balances at 31 March 2017		973,623	-	973,623	654,496

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The movement in funds detailed above complies with the requirements for a statement of changes in equity under FRS102.

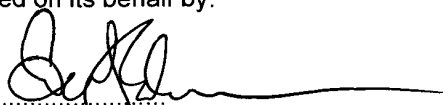
**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	14	796,238		199,420	
Investments	15	9		9	
		<u>796,247</u>		<u>199,429</u>	
Current assets					
Debtors	17	110,608		102,649	
Cash at bank and in hand		302,096		445,348	
		<u>412,704</u>		<u>547,997</u>	
Liabilities:					
Creditors: amounts falling due within one year	19	(235,328)		(92,930)	
Net current assets			177,376		455,067
Total net assets			<u>973,623</u>		<u>654,496</u>
The funds of the charity:					
Restricted funds	22	-		90,685	
<u>Unrestricted funds</u>					
Designated funds	23	-		310,000	
Unrestricted funds represented by fixed assets		796,247		199,429	
Free reserves		177,376		54,382	
		<u>973,623</u>		<u>253,811</u>	
General unrestricted funds					
Total unrestricted funds			973,623		563,811
Total charity funds			<u>973,623</u>		<u>654,496</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the trustees and authorised for issue on 05.10.2017 and are signed on its behalf by:



G Edwards (Chair)
Trustee

Company Registration No. 2806607

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Net cash provided by operating activities	26		524,703		308,215
Cash flows from investing activities					
Purchase of tangible fixed assets		(671,275)		(20,366)	
Proceeds on disposal of tangible fixed assets		500		-	
Interest received		2,821		2,012	
Net cash used in investing activities			(667,954)		(18,354)
Net (decrease)/increase in cash and cash equivalents			(143,251)		289,861
Cash and cash equivalents at beginning of year			445,348		155,486
Cash and cash equivalents at end of year			302,096		445,348

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

Charity information

NeuroMuscular Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Woodford Lane West, Winsford, Cheshire, CW7 4EH.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

The financial statements do not incorporate the results, assets and liabilities of the charity's wholly owned subsidiary, NMC Trading Limited. Consolidated accounts have not been prepared as these would not be materially different from the single entity financial statements as presented. The subsidiary ceased to trade on 1 April 2012 and has remained dormant throughout the period.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Funds held by the charity are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees, with due regard to the reserves policy as described in the Trustees' Report.

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

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

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

(Continued)

1.4 Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income from donations and grants, including capital grants, is included in income when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the preconditions for use have been met.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to preconditions regarding entitlement, this income is included as restricted funds when receivable.

Voluntary income includes discretionary grants for projects, goods and services where no service agreement or contract exists.

Other grants, which have particular service requirements and which are provided in accordance with a contract or service level agreement are included in the Statement of Financial Activities under the heading Charitable Activities.

Interest is included when receivable by the charity.

1.5 Expenditure

Expenditure reflects all amounts paid and accrued during the year. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. All costs are allocated between the expenditure categories of the Statement of Financial Activities (SOFA) on a basis designed to reflect the use of the resource.

Raising funds

These represent costs incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Support costs are allocated across the activities on the basis of expenditure incurred for each of the activities.

Governance costs

These represent costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Individual fixed assets costing £1,000 or more are capitalised at cost, including any expenses of acquisition.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold property	Straight line basis over the life of the lease
Fixtures, fittings & equipment	Straight line over 4 - 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received, if material.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The charity offers defined contribution pension arrangements to an employers' portable scheme. Contributions are charged in the financial statements as incurred.

1.13 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. Recovery is made of tax deducted from qualifying income and from receipts under Gift Aid.

The charity is also able to partially recover Value Added Tax. Expenditure that is not recoverable by the charity is recorded in the accounts inclusive of VAT.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees 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.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	373,392	376,884	750,276	471,393
Legacies receivable	-	-	-	60,912
	<u>373,392</u>	<u>376,884</u>	<u>750,276</u>	<u>532,305</u>
For the year ended 31 March 2016	<u>427,427</u>	<u>104,878</u>		<u>532,305</u>
Donations and gifts				
Community donations	25,109	271,000	296,109	169,860
Trust and corporate donations	348,283	105,884	454,167	301,533
	<u>373,392</u>	<u>376,884</u>	<u>750,276</u>	<u>471,393</u>

4 Charitable activities

	Physiotherapy	Supporting employment	Training	Total 2017	Total 2016
	£	£	£	£	£
Income within charitable activities	427,598	88,836	-	516,434	539,624
	<u>427,598</u>	<u>88,836</u>	<u>-</u>	<u>516,434</u>	
Unrestricted funds	427,598	88,836	-	516,434	
	<u>427,598</u>	<u>88,836</u>	<u>-</u>	<u>516,434</u>	
For the year ended 31 March 2016					
Unrestricted funds	411,274	108,048	20,302		539,624
	<u>411,274</u>	<u>108,048</u>	<u>20,302</u>		<u>539,624</u>

5 Fundraising events

	2017	2016
	£	£
Fundraising events	118,889	123,458
	<u>118,889</u>	<u>123,458</u>

All income from fundraising events is unrestricted (2016 - unrestricted)

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

6 Investments

	2017	2016
	£	£
Interest receivable	2,821	2,012

7 Other income

	2017	2016
	£	£
Net gain on disposal of tangible fixed assets	500	-

8 Raising funds

	2017	2016
	£	£
<u>Costs of generating donations and legacies and events</u>		
Promotion	68,585	52,548
Staff costs	97,705	92,712
Support costs (see note 10)	7,707	4,336
	<u>173,997</u>	<u>149,596</u>
Costs of generating donations and legacies and events	173,997	149,596
For the year ended 31 March 2016		
Unrestricted funds		<u>149,596</u>

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

9 Charitable activities

	Physiotherapy	Advocacy and care support	Supporting employment	Training	Total 2017	Total 2016
	£	£	£	£	£	£
Staff costs	188,328	39,143	71,658	29,338	328,467	320,652
Share of support costs (see note 10)	96,646	260,312	176,933	28,513	562,404	437,081
Share of governance costs (see note 10)	1,232	1,231	1,231	1,231	4,925	5,305
	<u>286,206</u>	<u>300,686</u>	<u>249,822</u>	<u>59,082</u>	<u>895,796</u>	<u>763,038</u>
Analysis by fund						
Unrestricted funds	265,638	276,360	249,822	59,082	850,902	
Restricted funds	20,568	24,326	-	-	44,894	
	<u>286,206</u>	<u>300,686</u>	<u>249,822</u>	<u>59,082</u>	<u>895,796</u>	
For the year ended 31 March 2016						
Unrestricted funds	236,501	199,314	248,917	55,835		740,567
Restricted funds	8,155	14,316	-	-		22,471
	<u>244,656</u>	<u>213,630</u>	<u>248,917</u>	<u>55,835</u>		<u>763,038</u>

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

10 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Staff costs	222,645	-	222,645	205,522	Estimated on the basis of time spent
Depreciation	74,458	-	74,458	25,426	Estimated on the basis of usage
Utilities and communications	17,310	-	17,310	15,371	Estimated on the basis of floor area/usage
Travel	25,315	-	25,315	30,185	Estimated on the basis of floor area/usage
Printing	71,813	-	71,813	92,717	Estimated on the basis of usage
Maintenance	81,738	-	81,738	30,866	Estimated on the basis of usage
Insurance and general expenses	76,832	-	76,832	41,330	Estimated on the basis of usage
Audit fees	-	2,400	2,400	2,500	Equally between activities
Accountancy	-	2,400	2,400	2,400	Equally between activities
Legal and professional	-	125	125	405	Equally between activities
	<u>570,111</u>	<u>4,925</u>	<u>575,036</u>	<u>446,722</u>	
Analysed between					
Fundraising	7,707	-	7,707	4,336	
Charitable activities	<u>562,404</u>	<u>4,925</u>	<u>567,329</u>	<u>442,386</u>	
	<u>570,111</u>	<u>4,925</u>	<u>575,036</u>	<u>446,722</u>	

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2017 £	2016 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>2,400</u>	<u>2,500</u>
All other non-audit services	<u>2,400</u>	<u>2,400</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and no trustees were reimbursed expenses (2016, no trustees were reimbursed expenses).

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

13 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Charitable activities	17	18
Fundraising	3	3
Administration	1	1
	<u>21</u>	<u>22</u>

Employment costs

	2017 £	2016 £
Wages and salaries	574,735	548,457
Social security costs	40,313	37,875
Other pension costs	33,769	32,554
	<u>648,817</u>	<u>618,886</u>

There were no employees whose annual remuneration was £60,000 or more.

14 Tangible fixed assets

	Short leasehold property £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2016	445,976	221,631	667,607
Additions	563,444	107,831	671,275
Disposals	-	(58,629)	(58,629)
At 31 March 2017	<u>1,009,420</u>	<u>270,833</u>	<u>1,280,253</u>
Depreciation			
At 1 April 2016	283,398	184,789	468,187
Depreciation charged in the year	31,771	42,686	74,457
Eliminated in respect of disposals	-	(58,629)	(58,629)
At 31 March 2017	<u>315,169</u>	<u>168,846</u>	<u>484,015</u>
Carrying amount			
At 31 March 2017	<u>694,251</u>	<u>101,987</u>	<u>796,238</u>
At 31 March 2016	<u>162,578</u>	<u>36,842</u>	<u>199,420</u>

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

14 Tangible fixed assets

(Continued)

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 activities. The leasehold land and buildings are subject to a lease that has recently been renewed and will expire in January 2038.

15 Fixed asset investments

			Other investments
Cost or valuation			
At 1 April 2016 & 31 March 2017			9
Carrying amount			
At 31 March 2017			9
At 31 March 2016			9
		2017	2016
Other investments comprise:	Notes	£	£
Investments in subsidiaries	16	9	9

16 Subsidiaries

Details of the charity's subsidiaries at 31 March 2017 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct Indirect
NMC Trading Limited	England and Wales	Dormant	Ordinary
			100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
NMC Trading Limited	-	9

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

17 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	95,011	86,176
Other debtors	1,177	871
Prepayments and accrued income	14,420	15,602
	<u>110,608</u>	<u>102,649</u>

18 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at cost	397,107	531,524
Equity instruments measured at cost	9	9
	<u>397,116</u>	<u>531,533</u>
Carrying amount of financial liabilities		
Measured at cost	<u>169,446</u>	<u>17,785</u>

19 Creditors: amounts falling due within one year

	2017	2016
	£	£
	Notes	
Other taxation and social security	11,228	11,095
Deferred income	20 54,654	64,050
Trade creditors	26,852	12,238
Amounts due to subsidiary undertakings	9	9
Accruals	142,585	5,538
	<u>235,328</u>	<u>92,930</u>

20 Deferred income

	2017	2016
	£	£
Total deferred income at 1 April 2016	64,050	21,138
Amounts received in year	54,654	58,899
Amounts credited to statement of financial activities	(64,050)	(21,138)
	<u>54,654</u>	<u>64,050</u>

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £33,769 (2016 - £32,554).

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2016	Movement in funds			Balance at 31 March 2017
		Income	Expenditure	Transfers	
	£	£	£	£	£
Building fund	64,500	287,675	-	(352,175)	-
Physiotherapy fund	5,635	3,195	(8,830)	-	-
Support worker fund	-	24,326	(24,326)	-	-
Other funds	20,550	61,688	(11,738)	(70,500)	-
	<u>90,685</u>	<u>376,884</u>	<u>(44,894)</u>	<u>(422,675)</u>	<u>-</u>

Building fund - to meet increasing demand for services, the NeuroMuscular Centre has expanded the building. All building work has been completed in the year.

Physiotherapy fund - a core service of the NMC, this fund ensures the department has modern equipment with which to provide innovative and specialist treatments.

Support worker fund - this role provides a range of services including equipment and adaptation advice, guidance on benefits and work assistance, and emotional support in times of need.

Other funds - these funds provide pieces of equipment or other projects to further the objects of the charity.

Transfers represent the expenditure on fixed assets in the year.

Restricted income in 2016/17 includes £4,411 from the Health and Social Care Volunteering Fund, specifically for Support Worker services and £75,000 from the Henry Smith Charitable Trust for the building project.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2016 £	Movement in funds		Transfers £	Balance at 31 March 2017 £
		Income	Expenditure		
		£	£		
Building project	310,000	-	-	(310,000)	-
	<u>310,000</u>	<u>-</u>	<u>-</u>	<u>(310,000)</u>	<u>-</u>
	<u>310,000</u>	<u>-</u>	<u>-</u>	<u>(310,000)</u>	<u>-</u>

The building project has been designated by the trustees to increase capacity and improve future services. All building work has been completed in the year.

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

	2017 £	2016 £
Aggregate remuneration	<u>60,375</u>	<u>59,103</u>

As at 31 March 2017, there is a creditor balance owing to the wholly owned subsidiary NMC Trading Limited of £9 (2016, £9).

No guarantees have been given or received.

25 Company limited by guarantee

The Neuromuscular Centre is incorporated under the Companies Act as a company limited by guarantee. The liability of the members is limited to £1.

**NEUROMUSCULAR CENTRE
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

26 Cash generated from operations	2017 £	2016 £
Net income for the year (as per the statement of financial activities)	319,127	284,765
Adjustments for:		
Investment income recognised in statement of financial activities	(2,821)	(2,012)
Gain on disposal of tangible fixed assets	(500)	-
Depreciation of tangible fixed assets	74,458	25,426
Movements in working capital:		
(Increase) in debtors	(7,959)	(12,265)
Increase in creditors	151,794	7,150
(Decrease)/increase in deferred income	(9,396)	5,151
Net cash provided by operating activities	524,703	308,215