

REGISTERED COMPANY NUMBER: 05741930 (England and Wales)
REGISTERED CHARITY NUMBER: 1114999

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended
31 March 2018
for
The Brain Charity**

Wilson Henry LLP
Chartered Accountants
145 Edge Lane
Liverpool
L7 2PF

The Brain Charity

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for the Year Ended 31 March 2018**

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**Report of the Trustees
for the Year Ended 31 March 2018**

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 March 2018. The Trustees have adopted the provisions of 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

Objectives and aims

The Brain Charity offers practical help, emotional support and social activities to anyone with a neurological condition and to their family, friends and carers.

We offer a range of services including counselling, confidence building courses, employment support, welfare benefits advice, support for carers and a national information and advice service.

Vision, Mission and Strategic Objectives

Our Vision is to develop as a leader in neurological advice and support services in a human and friendly way.

Our Mission is to provide support that compliments medical provision, to people with a neurological condition, their families and professionals who care for them throughout their journey.

The four strategic objectives are:

- 1) Raising awareness and understanding of neurological conditions.
- 2) Becoming a self sustainable organisation.
- 3) Empowering individuals and families of those with a neurological condition.
- 4) Facilitating relevant organisations to work together to optimise opportunities for joint working.

The Charity's main objectives (The Objects) are as follows:

- (i) To relieve the needs of people who have neurological conditions and related disabilities, their families and carers;
- (ii) To advance the education of the public and medical professionals in all matters concerning neurological conditions; and
- (iii) To act as the successor body to the Mersey Neurological Trust.

**Report of the Trustees
for the Year Ended 31 March 2018**

ACHIEVEMENT AND PERFORMANCE

Achievements

2017/2018 has seen another strong period of growth for The Brain Charity as it ends the financial year with its largest ever number of paid staff (36) and volunteers (81) on board. Due to this increase in capacity, a wider range of services is now on offer for people with neurological conditions and their family, friends and carers.

The Charity received on average across the year, approximately 200 new direct referrals per month and supported a further 1,140 people per month with online information and advice.

The total number of beneficiaries i.e. those who make contact with and receive a service from the Charity, now currently averages at 1,340 people per month. In total, the Charity has supported 16,080 people during the financial year 2017/2018 with online information, telephone help and face-to-face support.

Approximately 70% of the direct face-to-face referrals made to The Brain Charity originate from The Walton Centre NHS Trust, and we are pleased to report that our relationship with the Trust has continued to strengthen and develop during this time.

During the financial year the Charity conducted a new piece of research to assess any current gaps in local and regional service provision for children & young people with neurological conditions and has been successful in winning funding to develop its first piece of work in relation to the research outcomes. The project will offer children with disabilities access to free specialist neuro-physiotherapy and will begin in the Summer of 2018.

We have also been able to offer paid roles to many young people facing barriers to work for up to one year through the Intermediate Labour Market Fund, delivered by Liverpool City Region Combined Authority. This has resulted in several young people being offered long-term employment at the Charity and many others gaining permanent full-time employment elsewhere.

The financial challenges faced by the Third Sector continue and have directly impacted on the Charity's income over the year in various ways but most noticeably with reductions in the level of corporate sponsorship and in office rental income. For example, the Charity lost a substantial amount of regular income due to the closure and departure of the Liverpool base for The Alzheimers Society, a tenant of the Centre, who served notice after a reduction in their funding.

However, despite these setbacks, we have succeeded in raising overall income through a number of successful grant applications and increased income through our room hire and café businesses. Both businesses are blossoming after the rebrand of the Brain Food Café and investment into the marketing of our room hire.

Due to extensive growth over the past three years the Charity will now be seeking to restructure in the coming months as it currently has a bottom-heavy structure due to many new front-line staff members. The strategy for the forthcoming year will focus on consolidation, quality improvement and impact measurement.

Despite the growth in services and the amount of support the Charity offers, many of the Charity's activities still carry a waiting list and this is despite limited promotion of the help on offer. This points to the fact that there are huge levels of unmet need within the community.

This year the Charity was incredibly proud to have been awarded the Queens Award for Voluntary Service, which is the highest award offered by the Crown to voluntary sector groups and is effectively the MBE for charities.

In-kind Support

The Charity continues to raise its profile and the positive impact of this is evident not only in the number of individuals opting to support the Charity but also in the number of corporate organisations offering in-kind support, using it as the focus for their CSR related activity and/or naming it their 'Charity of the Year'.

Private companies such as Influential, Sainsbury's, Create Construction, H&M Solicitors and Meet & Potato have been of great value to the Charity over the past year and have offered free support in areas as wide ranging as PR through to free building repairs.

**Report of the Trustees
for the Year Ended 31 March 2018**

ACHIEVEMENT AND PERFORMANCE

Achievements

The Charity estimates that these in-kind donations would amount to as much as £65,000 if a monetary value were attached to them and this number is growing.

FINANCIAL REVIEW

Performance

Over the year in question, despite recording an increase in total operating income, the Charity incurred an overall deficit on the income and expenditure account compared to a surplus in the previous year.

An overall accounting deficit of £3,181 has been set against the reserves (compared to a surplus of £2,970 in the previous year). This comprises an operating deficit of £46,602 (compared to a £20,830 deficit in the previous year), plus a loss on investments of £765 (compared to a gain of £23,800 in the previous year) and a one off revaluation of the long leasehold property of £44,186.

It should be noted that the operating deficit includes depreciation totalling £31,270 (£29,562 in the previous year) which did not impact the cash position.

The operating deficit reflects the reduced levels of corporate sponsorship and rental income compared to budget. However, the effects of these reductions were partly mitigated during the year by the Management Team's successes in other areas, particularly with grant income.

The Trustees are content with this year's financial performance.

Investment policy

The objective of the Charity's investment policy is to provide adequate financial resources to support the achievement of the charitable objectives. The Trustees are willing to incur a medium level of risk with a balanced strategy and revisit their capacity to incur risk on a six-monthly basis.

The Trustees will not invest directly in tobacco shares.

Reserves policy and objectives

The Charity's reserves policy is designed to provide the Charity with the financial flexibility to:

- Fund shortfalls in income, when income does not reach expected levels.
- Fund unexpected expenditure, for example when projects overrun or unplanned events occur.
- Ensure that the Charity is not unnecessarily holding back on spending rather than using the resources it has to meet its charitable objectives.

The policy adopts the risk identification approach, which is based on an understanding of the Charity's various income streams, their risk profile, the degree of commitment to expenditure and the level of obligation in relation to those services it has already commenced but not completed.

The Finance & Governance Committee

During the year the Board of Trustees approved the establishment of a new Finance & Governance Committee for the purposes of:

- a) providing detailed scrutiny of financial matters and making recommendations, as appropriate, on financial matters to the Board;
- b) developing a set of governance principles, policies, standards and practices that optimally support the charitable objectives and making recommendations, as appropriate, on governance matters to the Board;
- c) advising and supporting the Chief Executive and the Management Team on all aspects of finance and governance.

**Report of the Trustees
for the Year Ended 31 March 2018**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Brain Charity was incorporated on 14th March 2006 and registered as a charity on 30th June 2006. On 1st April 2007 all of the assets and activities of Mersey Neurological Trusts, an associated charity, were transferred to the Charity.

The Charity is controlled by its governing document, its Memorandum and Articles of Association, and constitutes a private company limited by guarantee, incorporated under the Companies Act 2006.

Recruitment and appointment of new Trustees

Following a skills audit performed by the Board which identified gaps in skills/experience, potential Trustees can be recruited in the following ways: recommendation, a referral from a recruiting organisation (e.g. Council for Voluntary Services), self-referral or advertisement.

After attending an initial meeting with the CEO, the Chair and at least one other Trustee, the applicant will be requested to submit a written statement and their CV to the Board. The acceptance of any prospective Trustees will be determined by an anonymous vote and will also be subject to a successful DBS check.

The Board is currently seeking new Trustees and would positively welcome applications from individuals from underrepresented groups and from people with neurological conditions.

Risk management

The Charity has introduced a Risk Register to identify any major issues which may affect the Charity in order that it can assess the potential impact of these should they happen and mitigate this where possible.

The Risk Register uses a 'Likelihood' v 'Level of impact' rating system to assess each perceived risk.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05741930 (England and Wales)

Registered Charity number

1114999

Registered office

The Brain Charity
Norton Street
Liverpool
Merseyside
L3 8LR

Trustees

Professor W J Chambers (Chair)

Mr M Rea

Mr K Wreglesworth

Professor G Baker

Mrs K E Swan

Ms J A Blackmore

Mr T G Walsh FCA

Dr N Silver

Mrs T Lewin

Dr I Pomeroy

- appointed 8.5.17

- appointed 8.1.18

- appointed 9.1.18

- resigned 23.4.17.

Company Secretary

Mr K Wreglesworth

Report of the Trustees
for the Year Ended 31 March 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Independent examiner

Mrs Hilene Susan Henry FCA
ICAEW
Wilson Henry LLP
Chartered Accountants
145 Edge Lane
Liverpool
L7 2PF

Solicitors

Brabners Chaffe Street LLP
Horton House
Atlantic Court
Liverpool
Merseyside
L2 3YL

Bankers

HSBC Bank Plc
City Branch Liverpool
99-101 Lord Street
Liverpool
Merseyside
L2 6PG

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

Approved by order of the board of trustees on07/12/2018..... and signed on its behalf by:



.....
Professor W J Chambers – Chair of Trustees

**Independent Examiner's Report to the Trustees of
The Brain Charity (Registered number: 05741930)**

Independent examiner's report to the trustees of The Brain Charity ('the Company')

I report to the Charity trustees on my examination of the accounts of the Company for the year ended 31 March 2018.

Responsibilities and basis of report

As the Charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your Charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Mrs Hilene Susan Henry FCA
ICAEW
Wilson Henry LLP
Chartered Accountants
145 Edge Lane
Liverpool
L7 2PF



Date:10/12/2018.....

The Brain Charity

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2018

		Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	Not es	£	£	£	as restated £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	76,070	-	76,070	65,145
Charitable activities	5				
Other projects		32,412	242,674	275,086	154,084
Other trading activities	3	296,669	5,491	302,160	402,831
Investment income	4	10,083	-	10,083	10,301
Total		415,234	248,165	663,399	632,361
EXPENDITURE ON					
Raising funds	6	84,912	54,449	139,361	157,303
Charitable activities	7				
Other projects		384,180	186,460	570,640	495,888
Total		469,092	240,909	710,001	653,191
Net gains/(losses) on investments		(765)	-	(765)	23,800
NET INCOME/(EXPENDITURE)		(54,623)	7,256	(47,367)	2,970
Transfers between funds	20	108,204	(108,204)	-	-
Other recognised gains/(losses)					
Gains/(losses) on revaluation of fixed assets		44,186	-	44,186	-
Net movement in funds		97,767	(100,948)	(3,181)	2,970
RECONCILIATION OF FUNDS					
As previously reported		888,890	130,769	1,019,659	1,000,393
Prior year adjustment	13	(16,296)	-	(16,296)	-
As Restated		872,594	130,769	1,003,363	1,000,393
TOTAL FUNDS CARRIED FORWARD		970,361	29,821	1,000,182	1,003,363

The notes form part of these financial statements

The Brain Charity (Registered number: 05741930)

Balance Sheet
At 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds as restated £
FIXED ASSETS					
Tangible assets	16	638,574	9,472	648,046	631,352
Investments	17	<u>274,275</u>	<u>-</u>	<u>274,275</u>	<u>307,444</u>
		912,849	9,472	922,321	938,796
CURRENT ASSETS					
Debtors	18	51,633	-	51,633	44,928
Cash at bank and in hand		<u>32,942</u>	<u>20,349</u>	<u>53,291</u>	<u>69,457</u>
		84,575	20,349	104,924	114,385
CREDITORS					
Amounts falling due within one year	19	<u>(27,063)</u>	<u>-</u>	<u>(27,063)</u>	<u>(49,818)</u>
NET CURRENT ASSETS		<u>57,512</u>	<u>20,349</u>	<u>77,861</u>	<u>64,567</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>970,361</u>	<u>29,821</u>	<u>1,000,182</u>	<u>1,003,363</u>
NET ASSETS		<u>970,361</u>	<u>29,821</u>	<u>1,000,182</u>	<u>1,003,363</u>
FUNDS	20				
Unrestricted funds				970,361	872,594
Restricted funds				<u>29,821</u>	<u>130,769</u>
TOTAL FUNDS				<u>1,000,182</u>	<u>1,003,363</u>

The notes form part of these financial statements

Balance Sheet - continued
At 31 March 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

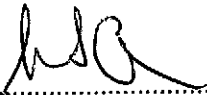
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on07/12/2018..... and were signed on its behalf by:



.....
Professor W J Chambers – Chair of Trustees

The Brain Charity

Cash Flow Statement
for the Year Ended 31 March 2018

		2018	2017
	Notes	£	as restated £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(54,875)</u>	<u>(79)</u>
Net cash provided by (used in) operating activities		<u>(54,875)</u>	<u>(79)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(3,778)	(41,431)
Purchase of fixed asset investments		(34,250)	(84,227)
Sale of fixed asset investments		66,654	103,201
Interest received		1	1
Dividends received		<u>10,082</u>	<u>10,300</u>
Net cash provided by (used in) investing activities		<u>38,709</u>	<u>(12,156)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(16,166)	(12,235)
Cash and cash equivalents at the beginning of the reporting period		<u>69,457</u>	<u>81,692</u>
Cash and cash equivalents at the end of the reporting period		<u><u>53,291</u></u>	<u><u>69,457</u></u>

The notes form part of these financial statements

The Brain Charity

Notes to the Cash Flow Statement
for the Year Ended 31 March 2018

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	as restated £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(47,367)	2,970
Adjustments for:		
Depreciation charges	31,270	29,563
Losses/(gain) on investments	765	(23,800)
Interest received	(1)	(1)
Dividends received	(10,082)	(10,300)
(Increase)/decrease in debtors	(6,705)	51,910
Decrease in creditors	<u>(22,755)</u>	<u>(50,421)</u>
Net cash provided by (used in) operating activities	<u>(54,875)</u>	<u>(79)</u>

The Brain Charity

Notes to the Financial Statements for the Year Ended 31 March 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments and the long leasehold property, which are included at market value, as modified by the revaluation of certain assets.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 2% on cost
Mechanical and electrical installation	- 5% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- 10% on cost
Computer equipment	- 33% on cost

Long leasehold property includes long leasehold land which is not depreciated as it is deemed to have an infinite useful economic life.

All classes of tangible fixed asset are included at cost and are reviewed annually for evidence of impairment when there is an indication that the value of the asset may have fallen below its recoverable amount by way of physical deterioration, obsolescence or other change. Where this is the case the value of the asset is written down to its recoverable amount. The recoverable amount of an asset is measured by reference to its net realisable value.

There is no de-minimis limit under which tangible fixed assets are capitalised.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charity's objectives at the discretion of 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.

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

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable Company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Irrecoverable value added tax

Any disallowable input tax incurred either forms part of the corresponding expended resource recognised within the Statement of Financial Activities or is capitalised on the Balance Sheet as part of the cost of a fixed asset.

2. DONATIONS AND LEGACIES

	2018	2017 as restated
	£	£
Donations, inc gift aid, and legacies	<u>76,070</u>	<u>65,145</u>

3. OTHER TRADING ACTIVITIES

	2018	2017 as restated
	£	£
Fundraising events	16,986	31,639
Room hire and rental income	91,683	115,374
Corporate sponsorship	175,000	234,875
Other income	1,165	2,416
Cafe income	<u>17,326</u>	<u>18,527</u>
	<u>302,160</u>	<u>402,831</u>

4. INVESTMENT INCOME

	2018	2017 as restated
	£	£
Dividend income from listed investments	10,082	10,300
Interest receivable - trading	<u>1</u>	<u>1</u>
	<u>10,083</u>	<u>10,301</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2018	2017 as restated
	Activity	£	£
Grants	Other projects	<u>275,086</u>	<u>154,084</u>

The increase in grants is largely due to funding from the European Social Funding relating to the Intermediate Labour Market (ILM) placements.

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2018	2017 as restated
	£	£
Other grants	<u>275,086</u>	<u>154,084</u>

6. RAISING FUNDS

Raising donations and legacies

	2018	2017 as restated
	£	£
Events	9,416	16,906
Fundraising Team	<u>5,866</u>	<u>12,622</u>
	<u>15,282</u>	<u>29,528</u>

Other trading activities

	2018	2017 as restated
	£	£
Purchases	15,375	23,181
Staff costs	104,013	101,192
Bad debts	<u>2,490</u>	<u>1,651</u>
	<u>121,878</u>	<u>126,024</u>

Investment management costs

	2018	2017 as restated
	£	£
Investment management fees	<u>2,201</u>	<u>1,751</u>

Aggregate amounts	<u>139,361</u>	<u>157,303</u>
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7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Other projects	<u>231,791</u>	<u>338,849</u>	<u>570,640</u>

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

8. SUPPORT COSTS

	Human resources £	Other £	Governance costs £	Totals £
Other projects	<u>204,213</u>	<u>120,943</u>	<u>13,693</u>	<u>338,849</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2018 £	2017 as restated £
Depreciation - owned assets	<u>31,270</u>	<u>29,562</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

11. STAFF COSTS

	2018 £	2017 as restated £
Wages and salaries	476,439	375,019
Social security costs	22,030	28,670
Other pension costs	<u>29,082</u>	<u>39,467</u>
	<u>527,551</u>	<u>443,156</u>

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

	2018	2017
Management	3	3
Administration, finance, IT & HR	3	3
Carer's advocacy	4	3
Fundraising	1	2
Library and information	4	5
Communications	1	1
Cafe and room hire	2	2
Employment, counselling & welfare	4	2
Cleaner	1	1
ILM placements	<u>9</u>	<u>3</u>
	<u>32</u>	<u>25</u>

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

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds as restated £
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	65,145	-	65,145
Charitable activities			
Other projects	13,485	140,599	154,084
Other trading activities	399,293	3,538	402,831
Investment income	<u>10,301</u>	<u>-</u>	<u>10,301</u>
Total	488,224	144,137	632,361
EXPENDITURE ON			
Raising funds	62,774	94,529	157,303
Charitable activities			
Other projects	<u>448,300</u>	<u>47,588</u>	<u>495,888</u>
Total	511,074	142,117	653,191
Net gains/(losses) on investments	<u>23,800</u>	<u>-</u>	<u>23,800</u>
NET INCOME/(EXPENDITURE)	950	2,020	2,970
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>871,641</u>	<u>128,752</u>	<u>1,000,393</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>872,591</u></u>	<u><u>130,772</u></u>	<u><u>1,003,363</u></u>

13. PRIOR YEAR ADJUSTMENT

The prior year adjustment relates to accrued income that was provided for but had already been recognised of £8,816 and an overstatement of the investment of £7,480.

14. INDEPENDENT EXAMINER'S REMUNERATION

	2018 £	2017 £
In respect of other services in the year	1,375	700
In respect of the external scrutiny of the financial statements	<u>3,650</u>	<u>3,600</u>

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

15. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at fair value through profit and loss.	274,275	307,444
Financial assets that are debt instruments measured at amortised cost.	103,598	114,385
Financial assets that are equity investments measured at cost less impairment.	648,046	631,352
Financial liabilities that are measured at amortised cost.	(12,462)	(22,490)

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

16. TANGIBLE FIXED ASSETS

	Long leasehold £	Mechanical and electrical installation £	Plant and machinery £
COST OR VALUATION			
At 1 April 2017	599,389	116,266	73,395
Additions	-	3,388	390
Revaluations	<u>(69,389)</u>	<u>-</u>	<u>-</u>
At 31 March 2018	<u>530,000</u>	<u>119,654</u>	<u>73,785</u>
DEPRECIATION			
At 1 April 2017	102,587	38,332	42,952
Charge for year	10,988	5,983	7,379
Revaluation adjustments	<u>(113,575)</u>	<u>-</u>	<u>-</u>
At 31 March 2018	<u>-</u>	<u>44,315</u>	<u>50,331</u>
NET BOOK VALUE			
At 31 March 2018	<u>530,000</u>	<u>75,339</u>	<u>23,454</u>
At 31 March 2017	<u>496,802</u>	<u>77,934</u>	<u>30,443</u>
	Fixtures and fittings £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 April 2017	46,393	41,919	877,362
Additions	-	-	3,778
Revaluations	<u>-</u>	<u>-</u>	<u>(69,389)</u>
At 31 March 2018	<u>46,393</u>	<u>41,919</u>	<u>811,751</u>
DEPRECIATION			
At 1 April 2017	27,063	35,076	246,010
Charge for year	4,639	2,281	31,270
Revaluation adjustments	<u>-</u>	<u>-</u>	<u>(113,575)</u>
At 31 March 2018	<u>31,702</u>	<u>37,357</u>	<u>163,705</u>
NET BOOK VALUE			
At 31 March 2018	<u>14,691</u>	<u>4,562</u>	<u>648,046</u>
At 31 March 2017	<u>19,330</u>	<u>6,843</u>	<u>631,352</u>

Included in cost or valuation of land and buildings is long leasehold land of £50,000 (2017 - £50,000) which is not depreciated.

The long leasehold property was revalued on 19 September 2018 by an independent, qualified valuer, with recent and relevant experience in the location and category of the property being valued, Keppie Massie Ltd.

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

16. TANGIBLE FIXED ASSETS - continued

The property was valued at £530,000 and this is deemed to be the value of the property at 31 March 2018.

If the long leasehold property was held under the cost model, the carrying amount that would have been recognised is £485,814 (2017: £496,802).

17. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2017	307,444
Additions	34,250
Disposals	(66,654)
Revaluations	<u>(765)</u>
At 31 March 2018	<u>274,275</u>
NET BOOK VALUE	
At 31 March 2018	<u>274,275</u>
At 31 March 2017	<u>307,444</u>

The fair value of the investments is based upon the quoted market price in an active market. 26.6% of the portfolio is held outside of the UK.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 as restated £
Trade debtors	47,689	22,333
Prepayments and accrued income	<u>3,944</u>	<u>22,595</u>
	<u>51,633</u>	<u>44,928</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 as restated £
Trade creditors	2,435	10,959
Social security and other taxes	(5,488)	9,099
VAT	13,839	18,229
Other creditors	3,874	5,601
Accruals and deferred income	<u>12,403</u>	<u>5,930</u>
	<u>27,063</u>	<u>49,818</u>

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

20. MOVEMENT IN FUNDS

	At 1.4.17 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted funds					
General fund	271,284	(16,296)	(10,437)	95,810	340,361
Norton Street Centre Building improvements and maintenance	487,606	-	-	42,394	530,000
	<u>130,000</u>	<u>-</u>	<u>-</u>	<u>(30,000)</u>	<u>100,000</u>
	888,890	(16,296)	(10,437)	108,204	970,361
Restricted funds					
Amenity Grant	659	-	(20)	(639)	-
Capacity Builders (Capital Grant)	19,792	-	(1,164)	(18,628)	-
Social Enterprise Investment Fund (Capital Grant)	70,439	-	(4,605)	(65,834)	-
Penny In The Pound	262	-	(20)	(242)	-
Liverpool City Council Access To Work	611	-	(39)	(572)	-
Police Fund (Railings)	481	-	(13)	(468)	-
Bridgewater Community Healthcare	3,675	-	(233)	(3,442)	-
Medicash	860	-	(19)	(841)	-
Carer's Advocacy project	3,940	-	(91)	(3,849)	-
Post code lottery	1,577	-	19,810	(21,387)	-
Link workers - Sefton	13,045	-	(1,354)	-	11,691
Morrison's	19	-	(72)	-	(53)
ESF ILM	4,618	-	-	-	4,618
Morgan Foundation	-	-	(7,698)	7,698	-
Rathbone Investment Management	601	-	-	-	601
Postcode Lottery 2016	1,500	-	(8)	-	1,492
Lottery Feasibility Grant	8,690	-	(2,194)	-	6,496
Wootton Trust	-	-	4,500	-	4,500
	<u>-</u>	<u>-</u>	<u>476</u>	<u>-</u>	<u>476</u>
	130,769	-	7,256	(108,204)	29,821
TOTAL FUNDS	<u>1,019,659</u>	<u>(16,296)</u>	<u>(3,181)</u>	<u>-</u>	<u>1,000,182</u>

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	415,234	(469,092)	43,421	(10,437)
Restricted funds				
Access To Work	-	(13)	-	(13)
Carer's Advocacy project	116,339	(96,529)	-	19,810
Post code lottery	-	(1,354)	-	(1,354)
ESF ILM	109,731	(117,429)	-	(7,698)
Morgan Foundation	9,795	(9,795)	-	-
Rathbone Investment Management	-	(8)	-	(8)
Postcode Lottery 2016	-	(2,194)	-	(2,194)
Lottery Feasibility Grant	9,500	(5,000)	-	4,500
Wootton Trust	2,800	(2,324)	-	476
Amenity Grant	-	(20)	-	(20)
Capacity Builders (Capital Grant)	-	(1,164)	-	(1,164)
Social Enterprise Investment Fund (Capital Grant)	-	(4,605)	-	(4,605)
Penny In The Pound	-	(20)	-	(20)
Liverpool City Council	-	(39)	-	(39)
Police Fund (Railings)	-	(233)	-	(233)
Bridgewater Community Healthcare	-	(19)	-	(19)
Medicash	-	(91)	-	(91)
Link workers - Sefton	-	(72)	-	(72)
	248,165	(240,909)	-	7,256
TOTAL FUNDS	<u>663,399</u>	<u>(710,001)</u>	<u>43,421</u>	<u>(3,181)</u>

The Brain Charity

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
Unrestricted Funds				
General fund	283,790	953	(29,755)	254,988
Norton Street Centre	467,851	-	19,755	487,606
Building improvements and maintenance	<u>120,000</u>	<u>-</u>	<u>10,000</u>	<u>130,000</u>
	871,641	953	-	872,594
Restricted Funds				
Amenity Grant	679	(20)	-	659
Capacity Builders (Capital Grant)	20,955	(1,163)	-	19,792
Social Enterprise Investment Fund (Capital Grant)	75,043	(4,604)	-	70,439
Penny In The Pound	283	(21)	-	262
Liverpool City Council	650	(39)	-	611
Access To Work	495	(14)	-	481
Police Fund (Railings)	3,908	(233)	-	3,675
Bridgewater Community Healthcare	879	(19)	-	860
Medicash	4,031	(91)	-	3,940
Carer's Advocacy project	8,743	(7,166)	-	1,577
Post code lottery	13,067	(22)	-	13,045
Link workers - Sefton	19	-	-	19
Morrisons	-	4,618	-	4,618
Morgan Foundation	-	601	-	601
Rathbone Investment Management	-	1,500	-	1,500
Postcode Lottery 2016	<u>-</u>	<u>8,690</u>	<u>-</u>	<u>8,690</u>
	128,752	2,017	-	130,769
TOTAL FUNDS	<u>1,000,393</u>	<u>2,970</u>	<u>-</u>	<u>1,003,363</u>

The Brain Charity

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2018**

20. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	488,225	(511,072)	23,800	953
Restricted funds				
Access To Work	14,936	(14,950)	-	(14)
Carer's Advocacy project	78,486	(85,652)	-	(7,166)
Post code lottery	2,020	(2,042)	-	(22)
Morrison's	4,618	-	-	4,618
ESF ILM	23,301	(23,301)	-	-
Morgan Foundation	769	(168)	-	601
Proven Family Trust	1,060	(1,060)	-	-
Rathbone Investment Management	1,500	-	-	1,500
Postcode Lottery 2016	17,446	(8,756)	-	8,690
Amenity Grant	-	(20)	-	(20)
Capacity Builders (Capital Grant)	-	(1,163)	-	(1,163)
Social Enterprise Investment Fund (Capital Grant)	-	(4,604)	-	(4,604)
Penny In The Pound	-	(21)	-	(21)
Liverpool City Council	-	(39)	-	(39)
Police Fund (Railings)	-	(233)	-	(233)
Bridgewater Community Healthcare	-	(19)	-	(19)
Medicash	-	(91)	-	(91)
	<u>144,136</u>	<u>(142,119)</u>	<u>-</u>	<u>2,017</u>
TOTAL FUNDS	<u><u>632,361</u></u>	<u><u>(653,191)</u></u>	<u><u>23,800</u></u>	<u><u>2,970</u></u>

Designated funds

Norton Street Centre

This is the unrestricted net book value of the long leasehold property.

Building Repairs and Maintenance

The board have undertaken a review of the Norton Street premises, which is now 25 years old and have identified and scheduled potential repair works which will be required to the building over the next ten years. The trustees have agreed to designate a proportion of donations each year to provide for these future works. The board believes £100,000 will cover the cost of these repairs.

ESF ILM

Funds have been transferred from the general fund to cover the expenditure that has not been re-claimed during the year.

Carer's Advocacy Project

Funds have been transferred to the general fund as an element of the income received is to cover general overheads.

Cessation of Funds

The following funds are no longer active and therefore their residual balances have been transferred to the general fund: Amenity Grant, Capacity Builders, Social Enterprise, Penny in the Pound, Liverpool City Council, Access to Work, Police Fund, Bridgewater Community Healthcare, Medicash. The amounts transferred are in relation to capital expenditure and no cash is held in relation to these funds.

The Brain Charity

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2018**

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2018.