

**Report of the Trustees and
Financial Statements For The Year Ended 31 March 2017
for
Bobath Scotland**



Bobath Scotland

**Contents of the Financial Statements
for the Year Ended 31 March 2017**

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Financial Statements	13 to 23

Bobath Scotland

Report of the Trustees for the Year Ended 31 March 2017

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31 March 2017.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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

Objectives and aims

Bobath Scotland exists to support people living with cerebral palsy (CP) across Scotland. We offer support to anyone with a diagnosis of CP, regardless of their age or location. We provide specialist therapy, support and training and endeavour to reach as many people as possible from our centre in Glasgow, online and in their own communities. Founded by parents in 1995, the charity has grown and developed, both in the services that we provide and the number of people we are able to see.

Cerebral palsy is a physical disability that affects movement and posture. It is the most common physical disability in childhood. Around 1 in 500 births will result in a diagnosis of CP and in Scotland around 150 children are diagnosed each year. It is an umbrella term that means the impact CP will have on a person's life depends of the type of CP they have, the area of the body affected and the severity of the condition. They may also have a range of associated physical and cognitive impairments:

- 1 in 3 is unable to walk
- 1 in 4 is unable to talk
- 3 in 4 experience pain
- 1 in 4 has epilepsy
- 1 in 2 has a cognitive impairment
- 1 in 4 has bladder control problems
- 1 in 5 has sleep disorder
- 1 in 5 has saliva control problems

From early years to independent adulthood, Bobath Scotland strives to be there to help people with CP make the most of their abilities each day.

Bobath Scotland

Report of the Trustees for the Year Ended 31 March 2017

ACHIEVEMENT AND PERFORMANCE

Highlights of the Year

A key aim for the year was to help more people from more areas of Scotland. We increased the number of people seen by 20% and treated people from every health board area in Scotland except NHS Orkney. During the year we:

- Treated 102 children and 26 adults (compared to 75 children and 32 adults the previous year)
- Delivered 34 1st assessment appointments for children
- Saw the start of the first Bobath Babies Group for families and children up until the age of 2 years
- Successful delivery of Year 2 of the Big Lottery funded Right Start programme for children between 2- 6 years
- Worked with 51 Allied Health Professionals involved in therapy sessions and training
- Trained 63 support staff
- Delivered Visitors' mornings and tailored Study mornings throughout the year
- 150 people attended our 3rd annual World CP Day conference at the Glasgow Hilton
- Launched www.cerebralpalsyscotland.org.uk as a Scotland-wide collective resource
- Continuation of the Helping Hands programme supporting Bobath's adult service
- Contributed to the wider national debate on the delivery of services for adults with CP in partnership with West Dunbartonshire Health and Social Care Partnership

Making a Difference

"I had not had therapy for years. Moving and transfers were becoming difficult. Now I can put on my socks and shoes. It is a huge help in keeping my independence." (Adult service user)

"I feel Bobath interventions have been so empowering for my clients." (West Dunbartonshire Social Worker)

"These sessions were a real eye opener for our staff, showing what can be done. We never realised the pupil had the potential." (Western Isles Education Staff)

"If we didn't have Bobath, he would be so far behind" (Glasgow parent)

"I feel more positive about the future" (Western Isles parent)

Fundraising

Over 80% of our income has to come from fundraising and the largest contributors to this have been grants from Trusts and Foundations. We have concentrated on aiming to secure strategic, multi-year grants that have given us the ability to meet need in a considered and ultimately more sustainable way. We continue to focus on developing fundable services at key life stages.

Bobath Scotland

Report of the Trustees for the Year Ended 31 March 2017

FINANCIAL REVIEW

Financial Position

For the year ending 31st March 2017 the income of the charity from all sources was £753,904 (2016: £685,831) as detailed in the attached accounts. Net income for the year was £32,828 (2016: net expenditure £22,050). The total funds at 31st March were £1,341,593 (2016: £1,308,765).

Expenditure on charitable activities totalled £527,678 (2016: £544,681). Expenditure on raising funds during the year amounted to £193,398 (2016: £163,200). During the year we increased the fundraising team to include a part-time Community Fundraiser and a Communications Officer in order to re-launch the Bobath website and co-ordinate the creation of www.cerebralpalsyscotland.org.uk. Fundraising income from donations increased by 14% from £437,785 in 2016 to £498,519 in 2017.

Investment Policy

In previous years the trustees' investment policy was to maximise interest earned on short to medium term deposits offered by the charity's bankers. However, given the very low levels of interest earned on cash deposits the trustees have taken advice about reducing cash reserves in order to gain a higher rate of return. The board has agreed to look at alternative investments for the cash previously held in the term deposit account.

Reserves Policy

It is the policy of the charity to maintain the unrestricted funds not committed or invested in tangible fixed assets, ("the free reserves" – after re-negotiation with the bank, see note 21) at a level sufficient to support the current activities of the charity. The directors consider that the free reserves of £325,992 are sufficient going forward to next year, given the dependence and fluctuation of donated and fundraising income, which is essential to deliver the charity's services.

The charity holds designated funds of £990,119 and restricted funds of £nil. The purpose of the designated funds is to cover the costs of the property owned by the charity as explained in Note 20 on page 22.

Financial Performance

Bobath continues to try and match funding to need. We aim to develop a menu of services that provide life-long support as well as opening up access for as many as possible. During the year ending March 2017, gross income has risen to £753,904 resulting in net surplus of £32,828. This can largely be explained by fact that we had budgeted to recruit a Head of Therapy but did not recruit during the year. Instead we have chosen to build and support the breadth and expertise of our specialist therapy team from within.

Going Concern

The charity has adequate reserves to carry on for the foreseeable future. Detailed budgets and management accounts are prepared and reviewed regularly by the Trustees. The budget agreed by the Board of Trustees for 2017/18 is forecasting a slight surplus of £3,178. This will be reviewed throughout the year. The first quarter of the new financial year has been encouraging and we have already secured £331,003 of pledged income for the year towards a challenging income budget of £829,670 to support our development of services across Scotland.

Bobath Scotland

Report of the Trustees for the Year Ended 31 March 2017

FINANCIAL REVIEW

Property

We continue to pay down the balance of the loan on Bradbury House over the next 8 years. The Term Loan, which is with the Clydesdale Bank, currently stands at £199,158. The specially adapted therapy centre is key to delivering the charitable purpose of Bobath Scotland, whether providing therapy or training in the building or preparing for the delivery of outreach programmes from the building.

Next Steps

Whilst we recognise the progress that we have made areas for development over the coming year have been identified as:

- Expansion of adult programme into at least one more health and social care partnership.
- Development of www.cerebralpalsyscotland.org.uk to include adult service information and signposting.
- Further increase in numbers of children and adults supported.
- Review and delivery of an updated training programme to better cater to the needs of the new integrated joint health and social care boards.
- Ensuring the resilience of the Bobath therapy team through training and recruitment of additional therapists.
- Influencing of national policy regarding development of services for people with CP.

The outcome of our ability to achieve this will be that

- Those with CP in Scotland are able to achieve their individual potential.
- Families of those with CP are supported from diagnosis and at all key stages through life.
- Professionals working in the community, as therapists, teachers, social workers or carers are equipped to help those with CP.
- There is an increased understanding and awareness of CP and its ongoing challenges by professionals and the therapy options available.
- Bobath Scotland is integral to supporting service providers and people with CP in Scotland.

Structure, Governance and Management

In September 2016 our Chairman, James Campbell handed over the reins to Ian Johnstone. James Campbell was instrumental in ensuring that Bobath Scotland was put on a sound financial footing and without his commitment and leadership Bobath Scotland would not have had the vision and the confidence to change. We are delighted that his contribution was recognised nationally at the 2017 Scottish Charity Awards where he won the award for "Terrific Trustee". It is to his credit also that we attribute the smooth and successful handover of the Chairmanship during this year.

On 10th October 2016 Bobath Scotland's application to convert to becoming a SCIO (Scottish Charitable Incorporated Organisation) governed by a constitution adopted by the Board of Trustees was confirmed by OSCR. The charity number remains the same. The organisation therefore ceased to be a Company limited by guarantee on this date.

These accounts cover the whole financial year where the organisation was a company limited by guarantee and a registered charity and also, from 10th October 2016, a SCIO.

FINANCIAL REVIEW

Recruitment and appointment of new trustees

The charity trustees at the time of the conversion to a SCIO were deemed to be trustees of the SCIO. The appointment, removal, power and duties of trustees of the SCIO are set out in the constitution. The trustees are recruited from the following sources:

- Parents of children attending treatment or adult service users; and
- Businesses and individual people from a professional background including medical.

During the year Seamus MacInnes stepped down from the board of trustees after 9 years of service.

Induction and training of new trustees

On appointment new trustees are provided with relevant information and training including provision of information about the SCIO and a discussion of their role with another board member or members.

Organisational structure

The trustees meet regularly to discuss the operations of the charity whilst the day to day running of the charity is delegated to Stephanie Fraser, Chief Executive, and her staff.

Key management remuneration

The charity has defined key management as those that direct and control the day to day administration of the organisation. In an ideal management structure this would include the Trustees, the CEO, the Head of Therapy and the Head of Fundraising. After two rounds of recruitment a suitable Head of Therapy has not been appointed and therefore the decision has been taken to strengthen the management of clinical and therapy matters from within with the Head of Therapy duties being shared between the Chief Executive and 3 Senior Therapists on the team, led by the CEO. Trustees and staff work closely together and all trustees serve on a purely voluntary basis. Therapy staff are paid in accordance with their clinical banding as set out annually within the NHS's Agenda for Change. Other management staff remuneration is decided by the Board of Trustees who mark to market.

Wider network

The charity is associated with The Bobath Centre, London in that it was set up for the continuance of the charity work provided by Bobath London. All Bobath therapists are employed by Bobath London and are on permanent secondment with their costs recharged to Bobath Scotland.

Risk management

Risk review is an important agenda item for the trustees, identifying the many risks the organisation faces, recording responses and actions and allocating responsibilities and review dates for these. The charity has a rolling Table of Risk and current risks and any other risks that have been identified or changed are reviewed at each Board meeting. The full Table of Risk is reviewed annually.

Bobath Scotland

**Report of the Trustees
for the Year Ended 31 March 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC022695

Principal office

Bradbury House
10 High Craighall Road
Craighall Business Park
Glasgow
G4 9UD

Trustees

Martin O'Neill

James Campbell

Resigned 13.09.16

Seamus MacInnes

Resigned 08.02.17

Harry McGeough

Donald Reid

Janette McPhail

Ciara McColgan

Elaine Boyd

Paul Morris

Ian Johnstone

Appointed 10.05.16

Chief Executive

Stephanie Fraser

Auditors

Hardie Caldwell LLP

Chartered Accountants

Registered Auditors

Citypoint 2

25 Tyndrum Street

Glasgow

G4 0JY

Bankers

Bank of Scotland

836 Crow Road

Glasgow

G13 1ET

Clydesdale Bank

124 Drymen Road

Bearsden

Glasgow

G61 3RB

Solicitors

Mitchells Robertson

36 Hanover Street

Glasgow

G1 2AD

Bobath Scotland

Report of the Trustees for the Year Ended 31 March 2017

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 (effective January 2015) "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements;
- 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 charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005. 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.

In so far as the trustees are aware:

- there is no relevant information of which the charity's auditors are unaware; and
- the trustees have taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The auditors, Hardie Caldwell LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Chairman

Dated: 12th September 2017

Report of the Independent Auditors to the Members of Bobath Scotland

We have audited the financial statements of Bobath Scotland for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 23. 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, "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's members, as a body, and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members and trustees 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 charity and the charity's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Report of the Independent Auditors to the Members of
Bobath Scotland

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charity has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- we have not received all the information and explanations we require for our audit.

[Redacted signature]

[Redacted name] (Senior Statutory Auditor)
for and on behalf of Hardie Caldwell LLP
Chartered Accountants
Statutory Auditor
Citypoint 2
25 Tyndrum Street
Glasgow
G4 0JY

Date: 12 September 2017

Hardie Caldwell LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Bobath Scotland

Statement of Financial Activities
Incorporating the Income and Expenditure Account
for the Year Ended 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations	3	252,046	246,473	498,519	437,785
Charitable activities	4	102,666	43,000	145,666	133,869
Other trading activities	5	108,885	-	108,885	113,477
Investments	6	834	-	834	700
Total		<u>464,431</u>	<u>289,473</u>	<u>753,904</u>	<u>685,831</u>
EXPENDITURE ON					
Raising funds	7	193,398	-	193,398	163,200
Charitable activities	8	<u>304,614</u>	<u>223,064</u>	<u>527,678</u>	<u>544,681</u>
Total		498,012	223,064	721,076	707,881
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS					
Transfers between funds	20	(33,581) <u>66,409</u>	66,409 <u>(66,409)</u>	32,828 <u>-</u>	(22,050) <u>-</u>
NET MOVEMENT IN FUNDS		32,828	-	32,828	(22,050)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,308,765</u>	-	<u>1,308,765</u>	<u>1,330,815</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,341,593</u></u>	<u><u>-</u></u>	<u><u>1,341,593</u></u>	<u><u>1,308,765</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities


The notes form part of these financial statements


Bobath Scotland

Balance Sheet At 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	15	<u>1,214,759</u>	<u>-</u>	<u>1,214,759</u>	<u>1,239,506</u>
CURRENT ASSETS					
Debtors: amounts falling due within one year	16	63,636	-	63,636	68,009
Cash at bank and in hand		<u>346,918</u>	<u>47,625</u>	<u>394,543</u>	<u>279,132</u>
		410,554	47,625	458,179	347,141
CREDITORS					
Amounts falling due within one year	17	(108,359)	(47,625)	(155,984)	(78,724)
NET CURRENT ASSETS					
		<u>302,195</u>	<u>-</u>	<u>302,195</u>	<u>268,417</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,516,954	-	1,516,954	1,507,923
CREDITORS					
Amounts falling due after more than one year	18	<u>(175,361)</u>	<u>-</u>	<u>(175,361)</u>	<u>(199,158)</u>
NET ASSETS					
		<u>1,341,593</u>	<u>-</u>	<u>1,341,593</u>	<u>1,308,765</u>
FUNDS					
Unrestricted funds - general	20			351,474	325,414
- designated				990,119	983,351
Restricted funds	20			<u>-</u>	<u>-</u>
TOTAL FUNDS					
				<u>1,341,593</u>	<u>1,308,765</u>

The financial statements were approved by the Board of Trustees on 12th September 2017 and were signed on its behalf by:

 - Chairman and Trustee

 - Treasurer and Trustee

Registered Number: SC022695

The notes form part of these financial statements

Bobath Scotland

Cash flow Statement For the Year Ended 31 March 2017

	Cash flow Notes	2017 £	2016 £
Cash used in operating activities	1	<u>137,605</u>	<u>(8,992)</u>
Cash flows from investing activities			
Interest		834	700
Less purchase of fixed assets		-	(3,881)
Cash provided by (used in) investing activities		<u>834</u>	<u>(3,181)</u>
Cash flows in financing activities			
Repayment of borrowing		(23,028)	(22,261)
Cash used in financing activities		<u>(23,028)</u>	<u>(22,261)</u>
Increase (decrease) in cash in the year		115,411	(34,434)
Cash and cash equivalents at the beginning of the year		279,132	313,566
Total cash and cash equivalents at the end of the year		<u>394,543</u>	<u>279,132</u>

Notes to the Cash Flow Statement

1. Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net Movement in Funds	32,828	(22,050)
Add Depreciation	24,747	28,647
Deduct Interest income	(834)	(700)
Decrease / (Increase) Debtors	4,373	(25,847)
Increase Creditors	76,491	10,958
Net Cash used in operating activities	<u>137,605</u>	<u>(8,992)</u>

The notes form part of these financial statements

1. GENERAL INFORMATION

The charity is a registered SCIO (Scottish Charitable Incorporated Organisation) (charity number SC022695).

The principal address of the charity is Bradbury House, 10 High Craighall Road, Craighall Business Park, Glasgow G4 9UD

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements of the charity 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"'. The financial statements have been prepared under the historical cost convention.

Going concern

The charity has adequate reserves to carry on for the foreseeable future. Detailed budgets and management accounts are prepared and reviewed by the Board. The charity is continuing to implement the strategic plan and the Board are budgeting that the charity will continue to generate income to cover all costs.

Income

Charitable activities

Income from the provision of treatment for children and adults with cerebral palsy is included in incoming resources in the period in which the treatment is provided.

Voluntary income and donations

Voluntary income and donations are accounted for when received by the charity. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs. Income that has been received for fundraising events not held by the year end is deferred until the event has taken place. No permanent endowments have been received in the period, but these are dealt with through the Statement of Financial Activities when received.

Interest receivable

Interest is included when receivable by the charity.

Rental income receivable

Rental income is included in the Statement of Financial Activities on a receivables basis.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis as a liability is incurred.

Fundraising costs

Fundraising expenditure comprises costs incurred in identifying and encouraging people and organisations to contribute financially to the charity's work. This includes the costs of fundraising salaries, advertising for donations and the staging of special fundraising events.

Charitable activities costs

Charitable activities costs 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. The support costs have been allocated on a space occupied basis, being 1/4 allocation to centre running costs and 3/4 to charitable activities.

2. ACCOUNTING POLICIES - continued

Governance costs, a category within Support costs, include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity. The staff costs have been allocated on the basis of staff time spent on governance activities.

Tangible fixed assets

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

Freehold property	- 2% on cost
Therapy Equipment	- 20% on cost
Furniture & fittings	- 10% on cost
Office Equipment	- 25% on cost

The costs of all additions exceeding £1,000 are capitalised.

Taxation

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

Fund accounting

Funds held by the charity are either:

- Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

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

- Restricted funds - these are funds that 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.

Pensions

The charitable company operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

Value added tax

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. ACCOUNTING POLICIES - continued

Debtors

Trade debtors and other debtors are recognised at the settlement amount due with appropriate allowances for any irrecoverable amounts where there is objective evidence that the asset is impaired.

Cash at bank and in hand

Cash at bank and in hand includes cash, bank and deposit accounts with a short term of maturity, being twelve months or less, from opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

Bobath Scotland

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

3. DONATIONS

	2017	2016
	£	£
Trust income, grants and donations	361,058	294,199
Supporters' and parents' donations	56,220	60,244
Community fundraising	49,845	54,587
Corporate donations	<u>31,396</u>	<u>28,755</u>
	<u>498,519</u>	<u>437,785</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2017	2016
		£	£
Health Board fees	Service provision for cerebral palsy	80,300	83,160
Training course income	Service provision for cerebral palsy	1,856	2,254
Self-funding	Service provision for cerebral palsy	20,510	18,455
Scottish Government	Service provision for cerebral palsy	<u>43,000</u>	<u>30,000</u>
		<u>145,666</u>	<u>133,869</u>

5. OTHER TRADING ACTIVITIES

	2017	2016
	£	£
B Festival/Dragon Boat/Cycle	31,763	46,900
Ball	22,641	29,671
Girls Night Out	24,367	14,357
Golf Day	9,430	11,236
Firewalk	-	4,032
Ceilidh	-	3,679
Sundry Events	1,484	2,002
Rents received	<u>19,200</u>	<u>1,600</u>
	<u>108,885</u>	<u>113,477</u>

6. INCOME FROM INVESTMENTS

	2017	2016
	£	£
Bank interest received	<u>834</u>	<u>700</u>

Bobath Scotland

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

7. FUNDRAISING COSTS	2017	2017	2016	2016
	£	£	£	£
Staff costs		112,217		89,148
Employer Pension		3,109		980
Print & design		1,663		2,232
General fundraising		22,306		7,113
B Festival/Dragon Boat/Cycle	9,865		24,374	
Ball	17,360		10,672	
Girls Night Out	21,212		19,434	
Golf Day	4,612		4,958	
Firewalk	-		766	
Ceilidh	-		3,298	
Sundry Events	1,054		225	
		<u>54,103</u>		<u>63,727</u>
		<u>193,398</u>		<u>163,200</u>
8. CHARITABLE ACTIVITIES COSTS		2017	2016	
		£	£	
Therapists' salaries, pensions, costs and expenses		309,214	295,644	
Therapy supplies		6,613	9,268	
Centre running costs		161,516	188,544	
Support costs (note 9)		37,319	38,706	
Governance costs (note 10)		<u>13,016</u>	<u>12,519</u>	
		<u>527,678</u>	<u>544,681</u>	
9. SUPPORT COSTS		2017	2016	
		£	£	
Centre running costs (including staff)		25,441	27,519	
Professional fees		3,977	2,074	
Depreciation		6,187	7,162	
Loan Interest		<u>1,714</u>	<u>1,951</u>	
		<u>37,319</u>	<u>38,706</u>	
10. GOVERNANCE COSTS		2017	2016	
		£	£	
Salaries		8,316	7,819	
Audit fees		<u>4,700</u>	<u>4,700</u>	
		<u>13,016</u>	<u>12,519</u>	

Bobath Scotland

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

11. NET INCOME / (EXPENDITURE)

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

	2017	2016
	£	£
Audit Fees	4,700	4,700
Depreciation - owned assets	<u>24,747</u>	<u>28,647</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2017 nor for the year ended 31 March 2016.

13. ANALYSIS OF STAFF COSTS

	2017	2016
	£	£
Salaries	229,706	210,848
Employer pension	8,333	4,397
Social security costs	17,261	17,381
Termination payment	<u>-</u>	<u>11,462</u>
	<u>255,300</u>	<u>244,088</u>

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

	2017	2016
Direct charitable work	9	9
Fundraising	5	3
Administrative	<u>5</u>	<u>5</u>
	<u>19</u>	<u>17</u>

Included within charitable activities costs are the costs to Bobath Scotland of the services provided by 7 therapists in the year to 31 March 2017 (2016 - 7). These therapists were employed by Bobath London.

The Key Management of Bobath Scotland is undertaken by the Chief Executive Officer, the Head of Fundraising and those staff delegated to perform Head of Therapy duties. The remuneration including pension costs, but excluding employer's national insurance, totals £130,598 (2016: £121,765).

One employee (2016: Nil) had emoluments in excess of £70,000 but less than £80,000 during the year. In the prior year one employee had emoluments in excess of £60,000 but less than £70,000 during the year.

Pension costs are allocated to activities in proportion to the related staffing costs incurred.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES
PREVIOUS YEAR

	Unrestricted Funds £	Restricted Funds £	2016 Total Funds £
INCOME AND ENDOWMENTS FROM			
Donations	328,015	109,770	437,785
Charitable activities	22,007	111,862	133,869
Other trading activities	113,477	-	113,477
Investments	700	-	700
Total	<u>464,199</u>	<u>221,632</u>	<u>685,831</u>
EXPENDITURE ON			
Raising funds	163,200	-	163,200
Charitable activities			
Therapy for cerebral palsy	400,132	144,549	544,681
Total	<u>563,332</u>	<u>144,549</u>	<u>707,881</u>
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS			
Transfers between funds	(99,133)	77,083	(22,050)
	<u>77,083</u>	<u>(77,083)</u>	<u>-</u>
NET MOVEMENT IN FUNDS			
	(22,050)	-	(22,050)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,330,815</u>	<u>-</u>	<u>1,330,815</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,308,765</u>	<u>-</u>	<u>1,308,765</u>

15. TANGIBLE FIXED ASSETS

	Freehold property £	Therapy Equipment £	Furniture & fittings £	Office Equipment £	Totals £
COST					
At 1 April 2016	1,313,074	110,810	95,459	81,071	1,600,414
Additions	-	-	-	-	-
At 31 March 2017	<u>1,313,074</u>	<u>110,810</u>	<u>95,459</u>	<u>81,071</u>	<u>1,600,414</u>
DEPRECIATION					
At 1 April 2016	107,537	108,160	68,641	76,570	360,908
Charge for year	<u>16,260</u>	<u>1,452</u>	<u>5,616</u>	<u>1,419</u>	<u>24,747</u>
At 31 March 2017	<u>123,797</u>	<u>109,612</u>	<u>74,257</u>	<u>77,989</u>	<u>385,655</u>
NET BOOK VALUE					
At 31 March 2017	<u>1,189,277</u>	<u>1,198</u>	<u>21,202</u>	<u>3,082</u>	<u>1,214,759</u>
At 31 March 2016	<u>1,205,537</u>	<u>2,650</u>	<u>26,818</u>	<u>4,501</u>	<u>1,239,506</u>

Included in cost or valuation of freehold property is freehold land of £500,000 (2016 - £500,000) which is not subject to depreciation.

Bobath Scotland

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	36,770	30,642
Other debtors	21,152	24,653
Prepayments	<u>5,714</u>	<u>12,714</u>
	<u>63,636</u>	<u>68,009</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	11,721	8,023
Social security and other taxes	5,442	4,998
VAT	627	307
Deferred income	83,385	30,509
Accrued expenses	28,922	9,390
Pension contributions	2,090	2,469
Bank Loan (see note 19)	<u>23,797</u>	<u>23,028</u>
	<u>155,984</u>	<u>78,724</u>

Deferred Income

	1 April 2016 £	Release of 2016 deferrals £	Deferral of 2017 income received £	31 March 2017 £
Voluntary Income	-	-	33,333	33,333
Voluntary Income (Restricted)	27,420	(27,420)	47,625	47,625
Activities for generating funds	<u>3,089</u>	<u>(3,089)</u>	<u>2,427</u>	<u>2,427</u>
	<u>30,509</u>	<u>(30,509)</u>	<u>83,385</u>	<u>83,385</u>

Bobath Scotland

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Bank loans - 2-8 years (see note 19)	<u>175,361</u>	<u>199,158</u>

19. SECURED DEBTS AND LOAN REPAYMENTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank loans	<u>199,158</u>	<u>222,186</u>

The bank loan is secured by a bond and floating charge over the assets of the company and a specific charge over the property.

Bobath Scotland

Notes to the Financial Statements – continued
For the Year Ended 31 March 2017

	At 1 April 2016 £	Income £	Expenditure £	Transfer between funds £	At 31 March 2017 £
Unrestricted funds					
General Reserves Fund	325,414	464,431	(498,012)	59,641	351,474
Designated Property Fund	983,351	-	-	6,768	990,119
	<u>1,308,765</u>	<u>464,431</u>	<u>(498,012)</u>	<u>66,409</u>	<u>1,341,593</u>
Restricted funds					
Act Foundation (Baby Bobath)	-	500	(500)	-	-
Big Lottery (Right Start)	-	83,788	(83,788)	-	-
Children's Aid (Equipment and Holiday Groups)	-	8,596	(8,596)	-	-
Duchess of Westminster Charitable Trust (Highland Children)	-	1,000	(1,000)	-	-
Gannochy Trust (Perthshire Adults)	-	3,000	(3,000)	-	-
Harold Merton (Tayside Children)	-	500	(500)	-	-
Health & Social Care Alliance (Teen Academy)	-	27,015	(27,015)	-	-
Leng Charitable Trust (Tayside Therapy)	-	1,040	(1,040)	-	-
Lloyd's TSB Foundation (Children, Young People & Families)	-	50,000	(50,000)	-	-
Mazar's Charitable Trust (Bobath Groups)	-	500	(500)	-	-
People's Postcode (Baby Bobath)	-	2,007	(2,007)	-	-
Peter Coats (Paisley Children)	-	500	(500)	-	-
R S Macdonald (Adult Therapy)	-	43,089	-	(43,089)	-
Robertson Trust (Adult Therapy)	-	20,000	-	(20,000)	-
Scottish Government (West Dunbartonshire)	-	43,000	(43,000)	-	-
Yorkshire Building Society (Training Room Furniture)	-	1,618	(1,618)	-	-
Individuals (Therapy)	-	3,320	-	(3,320)	-
	-	<u>289,473</u>	<u>(223,064)</u>	<u>(66,409)</u>	-
TOTAL FUNDS	<u>1,308,765</u>	<u>753,904</u>	<u>(721,076)</u>	-	<u>1,341,593</u>

The purpose of the Restricted Funds is as noted above, in brackets.

Transfers between funds - Where full delivery of the project has been completed monies are transferred to unrestricted funds.

Designated Funds - It was decided by the trustees to recognise a designated fund equal to the net book value of the property less related borrowings

Bobath Scotland

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	25,482	1,189,277	-	1,214,759
Current Assets	410,554	-	47,625	458,179
Current Liabilities	(84,562)	(23,797)	(47,625)	(155,984)
Long Term Liabilities	-	(175,361)	-	(175,361)
Net Assets at 31 March 2017	<u>351,474</u>	<u>990,119</u>	<u>-</u>	<u>1,341,593</u>

22. OTHER FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in total future minimum lease payments of £17,347 (2016: £13,916) falling due.

23. RECONCILIATION ON ADOPTION OF FRS102

	£
First year adoption	
Statement of financial activities for the year ended 31 March 2016	
Net movement in funds under former UK GAAP	<u>(22,050)</u>
Net movement in funds under FRS 102	<u>(22,050)</u>
Balance sheet at 31 March 2016	
Funds under former UK GAAP	<u>1,308,765</u>
Funds under FRS 102	<u>1,308,765</u>
Balance sheet at 1 April 2015	
Funds under former UK GAAP	<u>1,330,815</u>
Funds under FRS 102	<u>1,330,815</u>