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Charity Registration No. 229663

Company Registration No. 579091 (England and Wales)

REGISTRAR'S COPY: Please return to H. W. FISHER & CO.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**COUNCIL MEMBERS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2006**



**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Members Of Council</b>	Stephen Latner (Chairman) Michael Stalbow FCA ( <i>Hon Treasurer</i> ) Ida Bromley MBE, FCSP David Teacher Helen Yarrow Dr Judith Meek MBBS, MRCPch, PhD, MSc, MA (Hons) (Cantab)
<b>Secretary</b>	Jayne Pearce
<b>Charity number</b>	229663
<b>Company number</b>	579091
<b>Principal address</b>	Bradbury House 250 East End Road London N2 8AU
<b>Registered office</b>	Bradbury House 250 East End Road London N2 8AU
<b>Auditors</b>	H W Fisher & Company Acre House 11 - 15 William Road London NW1 3ER
<b>Bankers</b>	Barclays Bank plc PO Box 6549 London N8 9RJ
<b>Solicitors</b>	Teacher Stern Selby 37-41 Bedford Row London WC1R 4JH

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# THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY

## (A COMPANY LIMITED BY GUARANTEE)

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**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2006**

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The statement of financial activities for the year ended 31st March 2006 on page 10 shows a net outflow of funds of £74,597. While income from treatment, voluntary donations and fundraising increased, it was insufficient to cover the costs of continuing repair and refurbishment to our premises and equipment as well as of a full year's impact of the Agenda for Change programme of the NHS (which as noted last year has had a substantial effect on our therapy staff costs).

Demand for Bobath treatments and training was at a high level and our service benefited from the increased therapist base. We continued to work closely with our sister organizations in Cardiff and Glasgow.

As in previous years, the Centre remained dependant on voluntary donations to help maintain its activities. The increased income from this source includes a substantial donation from the proceeds of a Ball organized by a new fundraising committee, formed by the parents of a child treated at the Centre and their friends. The Council is most grateful to all individuals and organizations supporting the Centre's work. As presaged last year, we have invested further in our fundraising activities and in January appointed Kevin Gillespie to the new post of Fundraising and Development Manager.

In July 2006, Chris Barber, who became Director of Therapy Services in 2003, completed 25 years at the Centre. Chris, who was trained by our founders, has provided immense service, dedication and expertise and all involved with the Centre are indebted to her.

As ever, the Council wishes to thank the Centre's staff for their continued loyalty, hard work and enthusiasm.



**Stephen Latner**  
Chairman

Date: 17<sup>th</sup> October 2006

# **THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **COUNCIL MEMBERS' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2006**

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The Members of Council present their report and accounts for the year ended 31 March 2006.

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, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

#### **Structure, governance and management**

The charity's full name is The Bobath Centre for Children with Cerebral Palsy (referred to below as 'the Centre').

The charity is governed by its Memorandum and Articles of Association. It was incorporated as a company limited by guarantee (no. 579091) in 1957 and became a registered charity (no. 229663) in the following year.

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

Stephen Lamer (Chairman)

Michael Stalbow FCA (Hon Treasurer)

Ida Bromley MBE, FCSP

David Teacher

Michael Valentine FCA

(Retired 1 November 2005)

Helen Yarrow

Dr Judith Meek MBBS, MRCPch, PhD, MSc, MA (Hons) (Cantab)

(Appointed 21 April 2005)

The governing body of the charity is its Council, which currently comprises six Trustees with a variety of skills and experience relevant to the work of the charity. The Trustees are also directors of the company. None of the Members have any beneficial interest in the company and guarantee to contribute £2 each in the event of a winding up.

Council meets five times a year. It delegates day to day responsibility for the operation of the charity to the senior management team led by Christine Barber, Director of Therapy Services, and Jayne Pearce, Director of Administrative Services and Company Secretary. The senior management team attend Council Meetings.

The Chairman of Council is elected by Council Members and remains in position, subject to re-appointment as a director of the company under the terms of its Memorandum and Articles of Association, until he stands down or a new Chairman is elected by Council.

The role of Council includes helping management define strategy, the approval of overall financial budgets and capital expenditure and ensuring that restricted funds are utilised for their designated purpose. Council keeps under review the major strategic, business and operational risks faced by the Centre, and is responsible for ensuring that systems are established to enable steps to be undertaken to identify and mitigate the risks.

Council has established Audit and Remuneration Committees. The Audit Committee comprises the Chairman and Treasurer. It reviews the audited financial statements of the charity with the auditors prior to recommending them to Council. It considers the appointment, resignation or dismissal of the external auditors and approves their fee annually. Management implementation of agreed action points arising from the audit is monitored. The Director of Administrative Services and the Accountant attend Audit Committee meetings. The Remuneration Committee comprises the Chairman, Treasurer and Dr Judith Meek. It is responsible for annually determining the remuneration packages of both the Director of Therapy Services and the Director of Administrative Services.

#### **Methods of recruiting and appointing Trustees**

Trustees have been recruited generally by introduction or personal recommendation. Trustees are appointed by majority vote of the Council. Trustees are provided with previous annual reports, Council minutes and a trustee responsibilities guide (NCVO).

# **THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **COUNCIL MEMBERS' REPORT (CONTINUED)**

#### ***FOR THE YEAR ENDED 31 MARCH 2006***

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#### **Details of Related Parties**

Bobath Scotland and Bobath Wales are independent constituted charities. However, the Centre second staff to Scotland and Wales allowing them access to the NHS pension scheme. The Director of Therapy Services sits as a Trustee of Bobath Wales. The three organisations work together, meeting three times a year to co-ordinate staff training and to work on mutually beneficial projects.

The Bobath Centre for Adults with Neurological Disability is a sister charity that treats patients who move on from the Centre, and people with other neurological disabilities. The adult centre rents therapy rooms from the Centre. They have two Trustees in common.

The Centre is the home of Bobath therapy and, as such, maintains strong links with many national and international organisations such as the British Association of Bobath Trained Therapists (BABTT), European Bobath Tutors Association (EBTA) and with associations in Japan, USA and Eastern Europe. Senior therapy staff work and lecture around the world.

#### **Objectives and activities**

The objects of the Centre are to:

- provide treatment for children with cerebral palsy
- create and maintain a Centre of Excellence for the training of therapists who wish to specialise in the treatment and care of people with cerebral palsy, using the Bobath concept
- undertake research into the cause, effects and treatment of cerebral palsy

#### **Objectives:**

The agreed operational objectives for the year were to:

- implement Agenda for Change (AfC) and identify required associated tasks (rewrite of job descriptions, evaluation of roles, banding of staff, policy reviews, updating terms and conditions documentation) in collaboration with Bobath Wales and Bobath Scotland
- improve management of the waiting list and reduce waiting times for first referrals and returning patients
- further develop the expertise and skill mix of the Centre's therapy team
- provide an appropriate range of courses at the Centre and at external venues to meet identified demand
- monitor requirements for administrative and support staff to improve efficiency and effectiveness
- review and improve income generating activities
- review ICT requirements and plan a new database project
- increase research activity within the Centre
- review and improve training and clinical professional development of the therapy team

#### **Activities:**

The activities undertaken by the Centre during the year were:

- completion of evaluation of roles and banding for therapy staff under AfC
- completion of associated tasks identified during the implementation of AfC

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**COUNCIL MEMBERS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2006**

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- improved management of patient waiting times for first and subsequent treatment blocks
- continuation of appropriate recruitment to maintain therapy provision
- delivery of the planned range of courses previously published
- commencement of the ICT project to upgrade equipment and develop new Centre-wide database
- ensuring staff training and development activities were maintained across all departments within the Centre
- strengthening the administrative and support team to enable achievement of objectives
- completion of planned programme of exceptional works to maintain premises
- commencement of the process of developing a sustainable fundraising strategy and improving income generation through the creation of a new Fundraising and Development Manager position

**Achievements and performance**

The Directors, working in tandem with the therapy heads of the Scottish and Welsh centres, completed the evaluation and banding exercise for AfC and the new pay system was successfully introduced in September 2005. This activity proved to be more time consuming than originally anticipated. Although the majority of identified tasks associated with AfC were completed, a number of items were outstanding at the end of the year including the bandings for the three centre therapy heads and production and dissemination of updated Terms and Conditions Statements. Waiting times for patients attending for their first and subsequent treatment blocks have been well managed with all first time attendees being offered a block within four months of their referral (if funding approval was received). Subsequent blocks are offered within the timescale recommended by the therapists at the end of the previous block. Excellent tracking systems are now being used within the Centre's Appointments and Funding Office which have greatly improved the efficiency of patient information management.

During 2005/6, the Centre has maintained therapy team staffing to an appropriate level and has seen a significant increase in staff retention over previous years. During the year, all planned courses were delivered and a total of 356 participants attended courses. Three post-graduate Basic Bobath Courses were held resulting in 69 therapists becoming qualified.

The planned ICT project commenced according to the project plan devised and this project is likely to continue through 2006/7. The key aim is to ensure the Centre has a fully functional centralised database which meets the needs of all departments (clinical, research, training, personnel and fundraising) and will ensure effective knowledge management into the future.

The Centre continued to encourage all employees to continue their professional development and staff were supported through a combination of regular in-house and external training and development opportunities. In January, the Centre closed the clinical service in order to carry out mandatory training for the therapy team, including updating skills on moving and handling and basic life support. The in-house IT surgeries have also continued through the year with the aim of allowing all staff to improve their IT skills in terms of both PC and email use.

During 2005 a number of measures were taken to strengthen the administrative and support teams at the Centre, including the creation of two new posts within the finance and fundraising departments. We have also worked on expanding the assistance provided by administrative volunteers, which has been extremely positive. Our ambitious programme of planned exceptional works, which the Trustees approved in 2004 to be funded by reserves, was completed within budget. This has resulted in the Centre's premises and facilities being greatly improved by long overdue upgrading of the lecture theatre and audiovisual equipment, repairs to the toilets and shower facilities, damp proofing in two therapy rooms, redecorating the students' common room and refurbishment of the parents and staff kitchens, plus redecoration and refurbishment of two admin offices. We also undertook improvements to on site security systems. Following a period of extensive research and discussion with Council, the Centre created a new post of Fundraising and Development Manager in January 2006.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY  
(A COMPANY LIMITED BY GUARANTEE)  
COUNCIL MEMBERS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2006**

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**Financial review**

The Centre's income is derived partly from fees charged for its treatment services, partly from fees charged for participation in its training courses and partly from donations.

For the year ended 31 March 2006, the Centre had incoming resources of £1,125,876, an increase of 34% on the previous year. This increase was attributable to both higher treatment and voluntary income (donations and fundraising). Total resources expended were 25% up at £1,200,473 largely due to higher staff costs associated with AfC and the full year effect of additional staff.

The net outflow of funds in the year was £74,597 against £121,378 in the previous year.

At 31 March 2006, net assets amounted to £2,735,300 (2005 - £2,809,897), of which unrestricted and undesignated funds totalled £354,613 (2005 - £401,727).

The Centre's current assets are held mainly as cash on high interest deposit with Bank of Scotland and include prepayments of training course fees. The Centre's net current assets provide working capital and a degree of insurance against fluctuations of income, particularly in donations.

**Reserves policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to around three months' expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

At the balance sheet date, free reserves represented approximately three and a half months anticipated expenditure.

To maintain its activities, the Centre needs to receive donations and generate other fundraising income.

**Asset cover for funds**

Note 17 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

**Plans for the future**

In connection with treatment services, we will review the skill mix of the therapy team (physiotherapists, occupational therapists and speech and language therapists), evaluating each vacancy as it arises so as to facilitate an optimum balance to meet treatment demand efficiently.

We will review the range and frequency of training courses offered to match changing demand. A major project is being undertaken by senior therapist tutors to update course material.

With regard to fundraising, the other source of income, we will develop a new and sustainable fundraising plan linked to the organizational strategy. Such plan, together with actions in the treatment and training areas, will help maximize the Centre's income.

As to operations, we aim to complete the IT project during 2007. We will also establish in-house training sessions for line managers to increase awareness and understanding of the Centre's policies and employment laws.

A review of the strategic plan will be undertaken.

**Disclosure of information to auditors**

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



**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**COUNCIL MEMBERS' REPORT (CONTINUED)**  
***FOR THE YEAR ENDED 31 MARCH 2006***

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**Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that H W Fisher & Company be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of Members of Council



**Stephen Latner (Chairman)**

Council Member

Dated: 17<sup>th</sup> October 2006

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES**

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The Members of Council are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

*Company law requires the Members of Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its net income and expenditure for the year.*

In preparing these accounts, the Members of Council are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Members of Council are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 1985. 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.

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF THE BOBATH CENTRE FOR CHILDREN WITH  
CEREBRAL PALSY**

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We have audited the accounts of The Bobath Centre for Children with Cerebral Palsy for the year ended 31 March 2006 set out on pages 10 to 21. These accounts have been prepared under the accounting policies set out on pages 13 and 14.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Members of Council and auditors**

As described on page 7, the Members of Council, who are also the directors of The Bobath Centre for Children with Cerebral Palsy for the purpose of company law, are responsible for preparing the Council Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

We read other information contained in the Council Members' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Members of Council in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

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

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE MEMBERS OF THE BOBATH CENTRE FOR CHILDREN WITH  
CEREBRAL PALSY**

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**Opinion**

In our opinion:

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Council Members' Report is consistent with the accounts.

*H W Fisher & Company*

**H W Fisher & Company**

Chartered Accountants

Registered Auditor

Acre House

11 - 15 William Road

London

NW1 3ER

United Kingdom

Dated: .....

*25<sup>th</sup> October 2006*

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2006**

	Notes	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
<b><u>Incoming resources from generated funds</u></b>					
Voluntary income	2	175,205	15,545	190,750	113,486
Activities for generating funds		46,506	7,002	53,508	3,233
Investment income	3	29,562	23	29,585	28,912
		251,273	22,570	273,843	145,631
Incoming resources from charitable activities.	4	852,033	-	852,033	692,920
<b>Total incoming resources</b>		<b>1,103,306</b>	<b>22,570</b>	<b>1,125,876</b>	<b>838,551</b>
<b><u>Resources expended</u></b>					
<b>Costs of generating funds</b>					
Fundraising and Publicity	5	67,549	858	68,407	39,328
<b>Charitable activities</b>					
Treatment		746,376	33,024	779,400	619,057
Training		333,172	7,591	340,763	291,084
<b>Total charitable expenditure</b>		<b>1,079,548</b>	<b>40,615</b>	<b>1,120,163</b>	<b>910,141</b>
Governance costs	9	11,903	-	11,903	10,460
<b>Total resources expended</b>		<b>1,159,000</b>	<b>41,473</b>	<b>1,200,473</b>	<b>959,929</b>
<b>Net movement in funds</b>		<b>(55,694)</b>	<b>(18,903)</b>	<b>(74,597)</b>	<b>(121,378)</b>
Fund balances at 1 April 2005		1,305,438	1,504,459	2,809,897	2,931,275
<b>Fund balances at 31 March 2006</b>		<b>1,249,744</b>	<b>1,485,556</b>	<b>2,735,300</b>	<b>2,809,897</b>

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2006**

	31 March 2006 £	31 March 2005 £
Gross income	1,125,876	838,551
Transfer from endowment funds	-	259,000
Total income	1,125,876	1,097,551
Total expenditure from income funds	1,200,473	959,929
Net (expenditure)/income for the year	(74,597)	137,622

The summary income and expenditure account is derived from the statement of financial activities on page 10 which, together with the notes on pages 13 to 21, provides full information on the movements during the year on all funds of the charity.

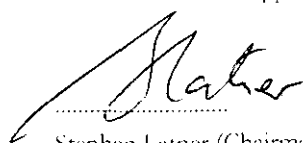
**STATEMENT OF RECOGNISED GAINS AND LOSSES**


Net (expenditure)/income for the year	(74,597)	137,622
Net movement on endowment funds	-	(259,000)
	(74,597)	(121,378)

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2006**

		2006	2005
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	12	2,317,415	2,339,415
<b>Current assets</b>			
Stocks		5,157	4,869
Debtors	13	70,566	55,122
Cash at bank and in hand		657,694	732,758
		<u>733,417</u>	<u>792,749</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>(315,532)</u>	<u>(322,267)</u>
<b>Net current assets</b>		417,885	470,482
<b>Total assets less current liabilities</b>		<u>2,735,300</u>	<u>2,809,897</u>
<b>Income funds</b>			
Restricted funds	15	1,485,556	1,504,459
Unrestricted funds:			
Designated funds:			
Designated fixed assets	16	895,131	903,711
Other charitable funds		<u>354,613</u>	<u>401,727</u>
		<u>1,249,744</u>	<u>1,305,438</u>
		<u>2,735,300</u>	<u>2,809,897</u>

The accounts were approved by the Board on .....

  
 Stephen Latner (Chairman)  
 Council Member

  
 Michael Stallow FCA (Hon Treasurer)  
 Council Member

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2006**

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**1 Accounting policies**

**1.1 Basis of preparation**

The accounts are prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard for Smaller Entities from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

**1.2 Incoming resources**

Donations and grants for general and specific purposes are normally recognised as incoming resources in the year of receipt. Other general purpose income is also recognised as an incoming resource upon receipt. Donations to assist in the financing of the Centre's freehold property are recorded within Restricted Income funds (Property). Specific donations for treatment and training are recorded within Restricted Income funds (Projects).

Treatment and training course fees are recognised as income when the treatment or course commences during the year. Fees for courses in progress at the year end are taken to income, as refunds are not made to clients in the event of cancellation. Invoices raised for courses commencing in the following year are accounted for within creditors as training course fees received in advance.

**1.3 Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Certain expenditure is directly attributable to specific activities and has been included in those cost categories.

Support costs are central administration costs which have been recharged to the various activities.

Governance costs include those costs incurred in the governance of the charity's assets and are primarily associated with constitutional and statutory requirements.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. 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:

Freehold land is not depreciated	
Freehold buildings	over 50 years
Fixtures, fittings & equipment	over 4 years

Items of equipment, typically costing less than £5,000 (2005 - £5,000), are not capitalised but are expensed as repairs and maintenance costs.

**1.5 Leasing and hire purchase commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**1.6 Stock**

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less further costs of disposal.



**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2006**

**1.7 Accumulated funds**

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes.

**2 Voluntary income**

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Donations and gifts	175,205	15,545	190,750	107,986
Legacies receivable	-	-	-	5,500
	<u>175,205</u>	<u>15,545</u>	<u>190,750</u>	<u>113,486</u>

**3 Investment income**

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Interest receivable	29,562	23	29,585	28,912
	<u>29,562</u>	<u>23</u>	<u>29,585</u>	<u>28,912</u>

**4 Incoming resources from charitable activities.**

	2006 £	2005 £
Treatment	550,178	390,865
Training	301,855	302,055
	<u>852,033</u>	<u>692,920</u>

**THE BOBATH CENTRE FOR CHILDREN WITH CEREBRAL PALSY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2006**

**5 Total resources expended**

	Staff costs £	Depreciation £	Other costs £	Total 2006 £	Total 2005 £
<b>Costs of generating funds</b>					
Fundraising and Publicity	46,952	880	20,575	68,407	39,328
<b>Charitable activities</b>					
<u>Treatment</u>					
Activities undertaken directly	634,357	15,180	12,675	662,212	495,265
Support costs	-	-	117,188	117,188	123,792
Total	634,357	15,180	129,863	779,400	619,057
<u>Training</u>					
Activities undertaken directly	250,724	5,940	31,923	288,587	242,250
Support costs	-	-	52,176	52,176	48,834
Total	250,724	5,940	84,099	340,763	291,084
	885,081	21,120	213,962	1,120,163	910,141
<b>Governance costs</b>	-	-	11,903	11,903	10,460
	932,033	22,000	246,440	1,200,473	959,929

**6 Fundraising and Publicity**

	2006 £	2005 £
Other costs of Fundraising and Publicity in note 5 above comprise:		
Fundraising costs	20,575	10,682
	20,575	10,682

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**7 Activities undertaken directly**

	2006 £	2005 £
Other costs relating to treatment in note 5 above comprise:		
Treatment services	4,559	3,451
Provision for bad debt	5,250	-
Advertising	2,866	432
	<u>12,675</u>	<u>3,883</u>
Other costs relating to training in note 5 above comprise:		
Course services	26,923	54,409
Advertising	5,000	1,607
	<u>31,923</u>	<u>56,016</u>

**8 Support costs in note 5 above**

	Treatment £	Training £	Total 2006 £	Total 2005 £
Research costs	1,956	-	1,956	819
Premises and administrative expenses	115,232	52,176	167,408	171,807
	<u>117,188</u>	<u>52,176</u>	<u>169,364</u>	<u>172,626</u>

**9 Governance costs**

	2006 £	2005 £
Other governance costs in note 5 above comprise:		
Legal and professional fees	868	515
Audit and accountancy	9,594	8,470
Bank charges	1,441	1,475
	<u>11,903</u>	<u>10,460</u>

**10 Members of Council**

None of the Members of Council (or any persons connected with them) received any remuneration during the year, nor were they reimbursed expenses. The Centre purchased Trustee indemnity insurance at a cost of £1,380 for the year (2005 - £1,380).

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**11 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	2006 Number	2005 Number
Treatment	20	19
Training	8	6
Fundraising	1	1
	<u>29</u>	<u>26</u>
Full time	19	14
Part time	10	12
	<u>29</u>	<u>26</u>

**Employment costs**

	2006 £	2005 £
Wages and salaries	1,308,616	1,028,392
Social security costs	126,001	93,457
Other pension costs	81,065	62,281
	<u>1,515,682</u>	<u>1,184,130</u>
Less: Reimbursed by connected charities(note 19)	<u>583,649</u>	<u>482,897</u>
	<u>932,033</u>	<u>701,233</u>

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

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**12 Tangible fixed assets**

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 April 2005 and at 31 March 2006	2,483,415	9,506	2,492,921
<b>Depreciation</b>			
At 1 April 2005	144,000	9,506	153,506
Charge for the year	22,000	-	22,000
<b>At 31 March 2006</b>	<b>166,000</b>	<b>9,506</b>	<b>175,506</b>
<b>Net book value</b>			
At 31 March 2006	2,317,415	-	2,317,415
At 31 March 2005	2,339,415	-	2,339,415

Cost and depreciation as at 1 April 2005 for fixtures, fittings and equipment were restated from £406 to £9,506 to include fully depreciated assets.

<b>13 Debtors</b>	2006	2005
	£	£
Trade debtors	47,105	29,354
Other debtors	5,038	11,381
Prepayments and accrued income	18,423	14,387
	<b>70,566</b>	<b>55,122</b>

<b>14 Creditors: amounts falling due within one year</b>	2006	2005
	£	£
Trade creditors	38,305	25,088
Taxes and social security costs	36,404	29,823
Other creditors	60,756	68,470
Accruals	180,067	198,886
	<b>315,532</b>	<b>322,267</b>

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**15 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:

	Movement in funds				
	Balance at 1 April 2005	Incoming resources	Resources expended	Transfers	Balance at 31 March 2006
	£	£	£	£	£
Property fund	1,435,704	-	(13,420)	-	1,422,284
<b>Project funds:</b>					
Treatment fund	29,546	11,332	(18,225)	-	22,653
Training fund	10,064	-	(1,800)	-	8,264
Research fund	21,133	-	-	-	21,133
Equipment fund	4,084	11,238	(5,114)	-	10,208
Refurbishment fund	3,928	-	(2,914)	-	1,014
	<u>1,504,459</u>	<u>22,570</u>	<u>(41,473)</u>	<u>-</u>	<u>1,485,556</u>

The Property fund comprises donations received by the Centre for the express purpose of funding the purchase of its current premises. £13,420 of the £22,000 depreciation charge for the year has been allocated to this fund, with the remaining £8,580 being allocated to unrestricted funds (see note 16 below).

The Treatment fund is to provide for the treatment of children who lack financial support. A transfer equal to the fees payable has been made to unrestricted funds. This represents application of the treatment fund income.

The Training fund is to train therapists from under-resourced countries in the Bobath concept.

The Research fund is to support research into the efficacy of the Bobath approach for the treatment of children with cerebral palsy.

The Equipment fund is to provide equipment necessary for treatment or research.

The Refurbishment fund is to provide for the upkeep of the fabric of the Bobath Centre.

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**16 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 2005	Movement in funds		Balance at 31 March 2006
		Incoming resources	Resources expended	
	£	£	£	£
Fixed asset fund	903,711	-	(8,580)	895,131
	<u>903,711</u>	<u>-</u>	<u>(8,580)</u>	<u>895,131</u>

The fixed asset fund represents the proportion of the Centre's tangible assets that is not supported by restricted funds.

**17 Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2006 are represented by:			
Tangible fixed assets	895,131	1,422,284	2,317,415
Current assets	670,145	63,272	733,417
Creditors: amounts falling due within one year	(315,532)		(315,532)
	<u>1,249,744</u>	<u>1,485,556</u>	<u>2,735,300</u>

**18 Commitments under operating leases**

At 31 March 2006, the company had annual commitments under non-cancellable operating leases as follows:

	2006 £	2005 £
Expiry date:		
Within one year	-	1,914
Between two and five years	2,636	2,636
	<u>2,636</u>	<u>4,550</u>

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**19 Connected charities**

The Centre seconds therapy staff to Bobath Wales, Bobath Scotland and the Bobath Centre for Adults with Neurological Disability. These are companies limited by guarantee that provide treatment in accordance with the Bobath Concept. David Teacher and Ida Bromley (Council Members of the Centre) are also Council members of the Bobath Centre for Adults with Neurological Disability.

The total of reimbursed costs of £583,649 (2005 - £482,897), as set out in note 11, is made up of:

Bobath Wales £278,626 (2005 - £218,904)

Bobath Scotland £216,355 (2005 - £177,812)

The Bobath Centre for Adults with Neurological Disability £88,668 (2005 - £86,181).

The Centre also charges the Bobath Centre for Adults with Neurological Disability £12,000 (2005 - £15,625) for their use of space and office services.

At the year end, the Bobath Centre for Adults with Neurological Disability owed £1,388 (2005 - £9625) to the Centre. This balance was cleared in May 2006.