

**BURDEN NEUROLOGICAL INSTITUTE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**ACCOUNTS**

**YEAR ENDED MARCH 31, 2005**

**REGISTERED NUMBER 996063**

**REGISTERED CHARITY NUMBER 262125**



**BURDEN NEUROLOGICAL INSTITUTE**

**Members of the Council**

E J Ambrose  
M G Barker (Resigned June 17, 2005)  
P J Begley  
J M Bird  
M J Cansdale  
A K Checkley  
H B Coakham  
D J Marsh  
I D Pringle  
G M Stirrat (Resigned June 17, 2005)

**Secretary**

R C North

**Auditors**

Stone & Partners  
571 Fishponds Road  
Fishponds  
Bristol  
BS16 3AF

**Bankers**

National Westminster Bank plc  
P O Box 246  
443 Stapleton Road  
Eastville  
Bristol BS99 5AZ

**Registered Office**

The Burden Centre  
Frenchay Park Road  
Bristol  
BS16 1JB

**Registered Number** 996063

**Registered Charity Number** 262125

**BURDEN NEUROLOGICAL INSTITUTE**

**REPORT OF THE MEMBERS OF THE COUNCIL**

The members submit their report and accounts for the year ended March 31, 2005.

**Principal activity**

The company is a registered charity and a non profit making organisation. The principal activity is neuroscience research.

**Reserves Policy**

Reserves are essential for continuing research between the receipt of grants and in periods of grant starvation because of a low percentage of endowed funding to income stream. Two years cover is considered adequate.

**Risk Management**

During the year the Council made an assessment of the major risks to which the Burden Neurological Institute is exposed, especially business, operational and financial. Policies and procedures have been introduced to manage and reduce the identified risks. The process of risk analysis and management is ongoing and is subject to continuous appraisal and review.

**Members of the Council**

The members of the council are set out on page 2.

**Responsibilities of the Members of the Council**

Company law requires the members of the council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the members of the council are required to:

select suitable accounting policies and then apply them consistently

make judgements and estimates that are reasonable and prudent

follow applicable accounting standards, subject to any material departures disclosed, and explained in the accounts

prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business

The members of the council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**BURDEN NEUROLOGICAL INSTITUTE**

**REPORT OF THE MEMBERS OF THE COUNCIL**

**Auditors**

Stone & Partners were re-appointed as auditors during the year.

The above report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD



R C North  
Secretary

# Stone & Partners

CHARTERED  
ACCOUNTANTS

REGISTERED  
AUDITORS

571 Fishponds Road  
Fishponds  
Bristol BS16 3AF

## **INDEPENDENT AUDITORS REPORT**

### **TO THE MEMBERS OF THE COUNCIL OF THE BURDEN NEUROLOGICAL INSTITUTE**

We have audited the financial statements of The Burden Neurological Institute for the year ended March 31, 2005 which comprises of the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

#### **Respective responsibilities of members of the council and auditors**

As described on page 3 the members of the council are responsible for the preparation of financial statements in accordance with the applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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

We read the Report of the Members of the Council and consider the implications for our report if we become aware of any apparent misstatement within it.

#### **Basis of audit opinion**

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

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

# Stone & Partners

CHARTERED  
ACCOUNTANTS

REGISTERED  
AUDITORS

571 Fishponds Road  
Fishponds  
Bristol BS16 3AF

## INDEPENDENT AUDITORS' REPORT CONTINUED

### TO THE MEMBERS OF THE COUNCIL OF THE BURDEN NEUROLOGICAL INSTITUTE

#### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at March 31, 2005 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



STONE & PARTNERS  
REGISTERED AUDITORS

SEPTEMBER 2005

*October 10, 2005*

571 Fishponds Road  
Fishponds  
Bristol  
BS16 3AF

# Stone Partners

## BURDEN NEUROLOGICAL INSTITUTE

### STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED MARCH 31, 2005

	Notes	2005 Restricted £	2005 Unrestricted £	2005 Total £	2004 £
<b>Incoming Resources</b>					
Donations, covenants and legacies		-	9,930	9,930	9,772
Grants		153,531	106,600	260,131	340,043
Investment income		-	7,156	7,156	7,762
Other income		-	56,828	56,828	56,710
<b>Total incoming resources</b>		<u>153,531</u>	<u>180,514</u>	<u>334,045</u>	<u>414,287</u>
<b>Resources expended</b>					
Direct charitable expenditure		123,188	119,600	242,788	310,847
Equipment costs		7,340	10,274	17,614	10,609
Fund raising and external contracts		-	-	-	3,000
Support and administration		17,732	53,242	70,974	74,540
<b>Total resources expended</b>		<u>148,260</u>	<u>183,116</u>	<u>331,376</u>	<u>398,996</u>
<b>Net incoming/(outgoing) resources for the year</b>		<u>5,271</u>	<u>(2,602)</u>	<u>2,669</u>	<u>15,291</u>
Other recognised gains and losses					
Unrealised gains/(losses) on investments	5	-	13,612	13,612	16,163
Realised gains/(losses) on investments	5	-	-	-	-
		<u>-</u>	<u>13,612</u>	<u>13,612</u>	<u>16,163</u>
<b>Net movement in funds</b>		<u>5,271</u>	<u>11,010</u>	<u>16,281</u>	<u>31,454</u>
<b>Funds brought forward</b>		<u>17,887</u>	<u>154,044</u>	<u>171,931</u>	<u>140,477</u>
<b>Funds carried forward</b>		<u>23,158</u>	<u>165,054</u>	<u>188,212</u>	<u>171,931</u>

**BURDEN NEUROLOGICAL INSTITUTE**

**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED MARCH 31, 2005**

(continued)

**Continuing operations**

None of the company's activities was acquired or discontinued during the above two financial years.

**Total recognised gains and losses**

The company has no recognised gains or losses other than those stated in the statement of financial activities above for the two financial years.



# Stone Partners

## BURDEN NEUROLOGICAL INSTITUTE

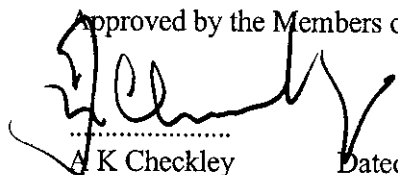
### BALANCE SHEET

AT MARCH 31, 2005

	Notes	2005 £	2004 £
<b>Fixed assets</b>			
Tangible fixed assets	4	47,043	52,049
Investments	5	<u>142,249</u>	<u>128,637</u>
		189,292	180,686
<b>Current assets</b>			
Debtors	6	111,603	134,510
Cash at bank and in hand		<u>33,687</u>	<u>29,552</u>
		<u>145,290</u>	<u>164,062</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>146,370</u>	<u>172,817</u>
<b>Net current (liabilities)/assets</b>		(1,080)	(8,755)
<b>Net assets</b>		<u>188,212</u>	<u>171,931</u>
<b>Represented by:</b>			
Restricted funds	8	23,158	17,887
Unrestricted funds		<u>165,054</u>	<u>154,044</u>
		<u>188,212</u>	<u>171,931</u>

The accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Approved by the Members of the Council



A K Checkley

Dated: 10.10.2005

**BURDEN NEUROLOGICAL INSTITUTE**

**NOTES TO THE ACCOUNTS**

**AT MARCH 31, 2005**

**1. Accounting policies**

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

Tangible fixed assets

The reporting of fixed assets has been revised to comply with the normal accounting convention, restating the valuation at March 31, 2003 between asset cost and accumulated depreciation at that date. The following depreciation rates are now applied:-

Equipment	10% straight line
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Cash flow statement

The company has taken advantage of the exemption available per FRS 1 for small companies not to prepare a cash flow statement.

Investments

Investments are stated at market value at the year end.

Pension policy

The Institute participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The liabilities are valued every three years by a professional qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuary. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.

Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of support and administration costs. During the year the grants received and related expenditure for all research projects have been included in restricted funds.

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

**BURDEN NEUROLOGICAL INSTITUTE**

**NOTES TO THE ACCOUNTS**

**AT MARCH 31, 2005**

(continued)

**2. Net incoming resources for the year**

This is stated after charging:-

	2005	2004
	£	£
Depreciation	7,556	8,229
Auditors remuneration	<u>1,000</u>	<u>1,000</u>

**3. Staff costs and trustees' remuneration**

	2005	2004
	£	£
Wages, salaries and social security costs	273,251	311,954
Pension costs	<u>(1,666)</u>	<u>25,382</u>
	<u>271,585</u>	<u>337,336</u>

Average number of employees during the year: 10 (2004; - 10)

	2005	2004
	£	£
Allocation		
Direct charitable expenditure	242,788	310,847
Administration	<u>28,797</u>	<u>26,489</u>
	<u>271,585</u>	<u>337,336</u>

The members of the council (the trustees) were not paid or reimbursed for expenses during the year.

BURDEN NEUROLOGICAL INSTITUTE

NOTES TO THE ACCOUNTS AT MARCH 31, 2005

(continued)

4. Tangible fixed assets

	Equipment
	2005
	£
Cost	
At April 1, 2004	91,112
Additions	2,550
Disposals	—
At March 31, 2005	<u>93,662</u>
Depreciation	
At April 1, 2004	39,063
Charge for period	7,556
Disposals	—
At March 31, 2005	<u>46,619</u>
Net book value	
At March 31, 2005	<u>47,043</u>
Net book value	
At March 31, 2004	<u>52,049</u>

5. Investments

Nominal Holding	At March 31, 2004 £	Additions	Disposals	At March 31, 2005 £
9% Equity Investment				
Charities Charifund				
Income units	7,250	-	-	7,250
Treasury 4 1/8% Index Linked				
Stock 2030	18,729.31	-	-	18,729.31
Treasury 5.75% stock 2009	<u>11,950.00</u>	-	-	<u>11,950.00</u>

BURDEN NEUROLOGICAL INSTITUTE

NOTES TO THE ACCOUNTS

AT MARCH 31, 2005

(continued)

5. Investments	Original	Valuation	Additions/	Unrealised	Gains	Valuation
Market Valuation	Cost	31.03.04	(Disposals)	gains/(losses)	(losses)	31.03.05
	£	£	£	on revaluation	on disposal	£
9% Equity Investment						
Charities Charifund						
Income Units	34,600	78,534	-	11,917	-	90,451
Treasury 4 1/8% Index						
Linked stock 2030	23,500	37,588	-	1,767	-	39,355
Treasury 5.75% stock						
2009	13,206	12,515	-	(72)	-	12,443
	<u>71,306</u>	<u>128,637</u>	<u>-</u>	<u>13,612</u>	<u>-</u>	<u>142,249</u>

6. Debtors

	2005	2004
	£	£
Trade debtors	45,583	53,360
Other debtors and prepayments	<u>66,020</u>	<u>81,150</u>
	<u>111,603</u>	<u>134,510</u>

7. Creditors: amounts falling due within one year

	2005	2004
	£	£
Trade creditors	142,755	163,435
Other creditor and accruals	<u>3,615</u>	<u>9,382</u>
	<u>146,370</u>	<u>172,817</u>

**BURDEN NEUROLOGICAL INSTITUTE**

**NOTES TO THE ACCOUNTS**

**AT MARCH 31, 2005**

(continued)

<b>8. Restricted funds</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
At April 1, 2004	17,887	-
Incoming resources	153,531	59,609
Resources expended	(148,260)	(41,722)
At March 31, 2005	<u>23,158</u>	<u>17,887</u>

	<b>At April 1, 2004</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>At March 31, 2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Big Lottery Fund	17,887	47,605	48,394	17,098
Parkinson's Disease Society	-	23,494	23,494	-
Department of Health	-	50,311	50,311	-
Physiotherapy Research Foundation	-	32,121	26,061	6,060
	<u>17,887</u>	<u>153,531</u>	<u>148,260</u>	<u>23,158</u>

The balance of the Physiotherapy Research Foundation fund of £6,060 represents equipment purchased and capitalised. The restricted funds represents the following research projects and contracts:

Big Lottery Fund: to improve the diagnosis and treatment of attention deficits in head injured patients. The project is for 3 years and commenced on May 1, 2003.

Parkinson's Disease Society: repetitive transcranial magnetic stimulation for levodopa induced dyskinesias in Parkinson's disease. The project was for 18 months and commenced on February 1, 2003.

Department of Health: Detection of effects of microwave radiation on the electrical activity of the brain. The project was for 18 months and commenced on July 1, 2003.

Physiotherapy Research Foundation: Evaluation of a repetitive practice scheme to improve sit to stand performance following stroke. The project is for 2 years and commenced on April 1, 2004.

**9. Subsidiary company**

The charity has a subsidiary, Burden Neuroscience Limited, which undertakes trading activities. As these activities are fundamentally different from the activities of the charity, consolidated accounts have not been prepared. Burden Neuroscience Limited operates a research centre located in Bristol. It is the licensee for its ultimate holding company in the manufacture, sale and use of technical information relating to neurophysiology and neuropsychology. The profits earned are passed to the charity by means of a deed of covenant: a fact which is referred to in the company's publicity material. That company had turnover of £2,423 (2004 £2,412) and profit of £2,370 (2004 £2,333).

**BURDEN NEUROLOGICAL INSTITUTE**

**NOTES TO THE ACCOUNTS AT MARCH 31, 2005**

(continued)

**10. Deferred Pension Scheme**

The Institution participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The assets of the scheme are held in a separate trustee-administered fund. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the surplus/deficit for the year in the income and expenditure account being equal to the contributions payable to the scheme for the year.

The latest actuarial valuation of the scheme was at March 31, 2002. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 5% per annum, salary increases would be 3.7% per annum and pensions would increase by 2.7% per annum. In relation to the future service liabilities it was assumed that the valuation rate of interest would be 6% per annum, including an additional investment return assumption of 1% per annum, salary increases would be 3.7% per annum and pensions would increase by 2.7% per annum. The valuation was carried out using the projected unit method.

At the valuation date, the market value of the assets of the scheme was £19,938 million and the value of the past service liabilities was £19,776 million leaving a surplus of assets of £162 million. The assets therefore were sufficient to cover 108% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The Institution contribution rate required for future service benefits alone at the date of the valuation was 14.25% of salaries but it was agreed that the Institute's contribution rate will be maintained at 14% of salaries. To fund this reduction of 0.25% for the period of 12 years from the date of the valuation (the average outstanding working lifetime of the current members of the scheme) required the use of £82.5 million of the surplus. This left a past service surplus of £79.5m (including the Supplementary Section) to be carried forward.

Surpluses or deficits which arise at future valuations may impact on the Institute's future contribution commitment. The next formal actuarial valuation is due as at March 31, 2005 when the above rates will be reviewed.

The total pension cost of the Institution was £38,139 (2004 £47,778). This includes £Nil (2004 £nil) outstanding contributions at the balance sheet date. The contribution rate payable by the Institution was 14% of pensionable salaries.

**BURDEN NEUROLOGICAL INSTITUTE**

**DETAILED INCOME AND EXPENDITURE ACCOUNT**

**AT MARCH 31, 2005**

	2005 £ Restricted	2005 £ Unrestricted	2005 £ Total	2004 £
<b>Donations, legacies and covenanted income</b>				
Other donations, covenants and legacies	-	9,930	9,930	9,772
<b>Grants and contributions received</b>				
Burden Trust	-	45,000	45,000	45,000
North Bristol NHS Trust	-	61,600	61,600	61,600
Parkinson's Disease Society	23,494	-	23,494	68,850
Stroke Association	-	-	-	29,401
Big Lottery Fund: (formerly the Community Fund)	47,605	-	47,605	59,609
Royal National Hospital for Rheumatic Diseases				
NHS Trust	-	-	-	2,145
University of Bristol	-	-	-	8,500
Department of Health	50,311	-	50,311	61,338
Physiotherapy Research Foundation	32,121	-	32,121	-
DR Filipovic Clinics	-	-	-	3,600
	<u>153,531</u>	<u>106,600</u>	<u>260,131</u>	<u>340,043</u>
<b>Investment income</b>				
Bank interest	-	1,215	1,215	971
Investment income	-	5,901	5,901	6,791
Tax credit surplus	-	40	40	-
	<u>-</u>	<u>7,156</u>	<u>7,156</u>	<u>7,762</u>
<b>Other income</b>				
Private patient charges	-	7,310	7,310	7,160
Sundry sales and miscellaneous income	-	53	53	6,468
Bristol Eye Hospital - Service Agreement	-	44,065	44,065	43,082
Training programme	-	5,400	5,400	-
	<u>-</u>	<u>56,828</u>	<u>56,828</u>	<u>56,710</u>
Total income	153,531	180,514	334,045	414,287
Less: Total expenditure	<u>148,260</u>	<u>183,116</u>	<u>331,376</u>	<u>398,996</u>
Net incoming/(outgoing) resources for the year	<u>5,271</u>	<u>(2,602)</u>	<u>2,669</u>	<u>15,291</u>



**BURDEN NEUROLOGICAL INSTITUTE**

**DETAILED INCOME AND EXPENDITURE ACCOUNT**

**AT MARCH 31, 2005**

(continued)

	2005 £	2005 £	2005 £	2004 £
	Restricted	Unrestricted	Total	
<b>Direct charitable expenditure</b>				
Salaries, pension, National Insurance and Superannuation	123,188	148,397	271,585	337,336
Less administration (see below)	-	(28,797)	(28,797)	(26,489)
	<u>123,188</u>	<u>119,600</u>	<u>242,788</u>	<u>310,847</u>
<b>Equipment costs</b>				
Spares and consumables for appliances and equipment	7,340	2,718	10,058	1,201
Depreciation	-	7,556	7,556	8,228
Disposal of assets	-	-	-	1,180
	<u>7,340</u>	<u>10,274</u>	<u>17,614</u>	<u>10,609</u>
<b>Fund raising and external contracts</b>				
External contracts	-	-	-	3,000
<b>Support and administration costs</b>				
Drug costs	-	-	-	1,193
Administration salaries	-	28,797	28,797	26,489
Publications and subscriptions	-	7,616	7,616	7,356
Office equipment	-	2,280	2,280	1,374
Printing and stationery	-	2,251	2,251	3,347
Telephones	-	2,480	2,480	2,620
Postage	-	645	645	113
Rent, rates, fuel and water	-	10,741	10,741	11,333
Insurance	-	9,383	9,383	7,841
Cleaning	-	3,410	3,410	6,684
Travelling expenses:				
Staff (including interview expenses)	325	186	511	1,056
Patients	343	6	349	656
Security equipment	-	-	-	1,362
Courses and conferences	-	-	-	161
Auditors fees	-	900	900	1,000
Sundry expenses (including hospitality)	-	1,561	1,561	975
Legal and professional fees	-	50	50	980
Bank charges	-	-	-	-
Department of Health overheads recovered	<u>17,064</u>	<u>(17,064)</u>	<u>-</u>	<u>-</u>
	<u>17,732</u>	<u>53,242</u>	<u>70,974</u>	<u>74,540</u>
<b>Total expenditure</b>	<u>148,260</u>	<u>183,116</u>	<u>331,376</u>	<u>398,996</u>