

Registered number: 07327176
Charity number: 1139702

CP CUMBRIA LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

CP CUMBRIA LIMITED
(A company limited by guarantee)

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CP CUMBRIA LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2017**

Trustees

Mr A Taylor, Treasurer
Mrs A Carr
Mrs Elaine Thomson, Chair
Mr A Darroch
Mrs G Wykes
Mr J Harper
Mr C Scott-Buckleugh
Mrs J Swinglehurst, Vice Chair
Mr M Wigginton
Mr B Earley

Company registered number
07327176

Charity registered number
1139702

Registered office

22 Spencer Street
Carlisle
Cumbria
CA1 1BG

Company secretary

Ms Lynne Culley

Chief executive officer

Ms Lynne Culley

Independent Examiner

Full Circle Accountancy Limited
Chartered Accountants
12 The Office
Mardale Road
Penrith
Cumbria
CA11 9EH

Bankers

Cumberland Buildings Society
38 Fisher Street
Carlisle
CA3 8RQ

Solicitors

Cartmell Shepherd
Viaduct House
Carlisle
Cumbria
CA1 2RW

CP CUMBRIA LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their annual report together with the financial statements of CP Cumbria Limited for the year ending 31 March 2017.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

CONSTITUTION

The company is registered as a charitable company limited by guarantee and was incorporated by a Memorandum of Association on 27 July 2010. The Memorandum and Articles of Association comprise the governing document and establish the objects and powers of the charitable company. The company was registered as a charity on 6 January 2011.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Prior to election potential Trustees complete an application form indicating the areas of the charity's work they are particularly interested in and the skills they feel they can offer to the Board of Trustees. This is followed up with a meeting with the Chair and the Chief Officer for a general introduction to the work of the organisation which is followed up by an opportunity to meet existing Trustees.

A policy setting out the procedures for the selection of Trustees is in place. A copy of the Memorandum and Articles of Association and the latest financial statements are distributed to Trustees.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

There is a maximum of 12 elected Trustees and 8 co-opted Trustees. Elected Trustees are elected or re-elected for a term of 3 years concluding at the third Annual General Meeting after their election. Any elected Trustee retiring at any Annual General Meeting may, if willing to stand, be proposed for re-election.

Co-opted Trustees shall not be required to retire by rotation but shall cease to hold office at the expiry of their specified term of office. Any vacancy arising amongst the Trustees may be filled by resolution.

Due to the nature of the charity's work, the Trustees seek to ensure that the needs of this group are reflected on the Board. The traditional business, social care and health are well represented on the Board in an effort to maintain a broad mix of skills.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

CP Cumbria is an independent charity raising money to provide services for people with cerebral palsy and similar conditions primarily, but not exclusively, within Cumbria.

The Trustees are responsible for the overall management and control of the organisation and meet six times during the year. Extra meetings are arranged as and when required. The day to day management of the charity is delegated by the

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Trustees to the Chief Officer who reports to the Trustees.

Trustees are sought in a variety of ways including recommendations from the branch network, from existing Trustees and supporters. The Board of Trustees seeks to ensure that the needs of the charity are appropriately reflected through the diversity of the Trustee body.

RELATED PARTY RELATIONSHIPS

CP Cumbria Limited works closely with Cumbria Cerebral Palsy for the purposes of sharing information and is in membership with various other organisations within Cumbria. Financial transactions with Cumbria Cerebral Palsy are disclosed in the related party note to the financial statements.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Objectives and Activities

POLICIES AND OBJECTIVES

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

Our charity's purposes are set out in the objects in the Memorandum of Association which are to:

promote the care and welfare of those with cerebral palsy and similar conditions, primarily, but not exclusively within Cumbria, by providing services, support and training to those individuals including but not restricted to, services relating to healthcare, welfare, medical treatment, education, employment, accommodation and advice

ACTIVITIES FOR ACHIEVING OBJECTIVES

Our main objectives for the year continue to be the support of individuals with cerebral palsy and their families. We do this by:

- providing a family support service throughout Cumbria with a team of 5 part time staff
- ensuring people with cerebral palsy have access to up-to-date information
- working in partnership with statutory and voluntary organisations to secure the widest range of services which best match the needs of individuals
- offering training to other care providers who work with people with cerebral palsy and associated disabilities
- offering one-to-one support to people and advocacy when requested
- seeking funding for specialist equipment for individuals via a designated staff member specialising in trustfund applications
- providing opportunities for people to access a variety of outward bound activities

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees would like to record their thanks to the following Trust for their financial support either directly to support our work or for grants to individuals during the year:

- Charlie and Kathleen Dunnery Trust
- RL Glasspool Trust
- Independence at Home
- Mary Strand Trust
- Florence Nightingale Trust
- Dickie Bird Trust
- Hospital Saturday Fund
- Kroch Foundation

VOLUNTEERS

The charity is grateful for the unstinting efforts of its volunteers who are involved in service provision, charity shops and fundraising.

Achievements and performance

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

REVIEW OF ACTIVITIES

Who used and benefited from our services?

Our funding limits the services we provide to those resident in Cumbria. All our services are provided free of charge to people we support and are funded through the charity's own fundraising activities, primarily its charity shops in North Cumbria.

The family support work team comprises of 4 community based workers and a team manager, and they provide a unique support service to individuals and their families and carers within Cumbria.

The website for the charity is a useful tool to keep our services to the forefront and is being well used by the people we work with. We also have Facebook and Twitter pages to enable people to keep in touch given we work in such a geographically spread county.

Training

The support work team meets on a quarterly basis and has an ongoing training programme to assist with team development.

Through the Support Work Team Manager, we also offer training on cerebral palsy to external agencies including businesses and local government services to raise awareness of cerebral palsy.

FUNDRAISING ACTIVITIES/INCOME GENERATION

The primary funding for our work comes from our charity shops and fundraising. This is done through a small network of volunteers within Cumbria who organise fundraising events in their localities, the operation of 4 charity shops in

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

North Cumbria, Head Office staff fundraising activities, donations and applications to Trust funds. We have acknowledged our grateful thanks to trust funds for their significant support earlier in this report.

INVESTMENT POLICY AND PERFORMANCE

The Trustees policy, should surplus funds become available, would be to seek investment advice from a suitable qualified and experienced investment advisor.

Financial review

RESERVES POLICY

The Trustees have examined the charity's requirements for reserves. It has established a policy whereby unrestricted funds held should be approximately 3 months of expenditure. These reserves are intended to meet the immediate working capital requirements of the charity and provide sufficient reserves should there be an unexpected reduction in funding. At 31 March 2017 CP Cumbria Limited shows a net asset surplus of £559 (2016 £18,029) because the amount due to Cumbria Cerebral Palsy for the purchase of the charity's head office is included at £173,102. The payment for the head office is to be paid back to Cumbria Cerebral Palsy as and when surplus funds become available. The Trustees are working to secure additional self-generated income as part of an overall strategy to achieve the target reserves level.

PRINCIPAL FUNDING

CP Cumbria's principal funding comes from income generated by operating charity shops and the charity's own fundraising activities, which supports the cost of providing the family support service. Budgeted expenditure continues to be tightly controlled and monitored by the Trustees on a monthly basis. There has in the year been a slight downturn in income generated by the charity shops and measures have been put in place to improve this situation in the forthcoming financial year.

The charity has to also seek funding from a much broader range of external sources. The appointment of a person with skills to process applications to Charity Trust Funds has enabled the charity to provide a range of activities and specialist equipment it otherwise would not have had the resources to deliver.

Plans for future periods

FUTURE DEVELOPMENTS

The charity reviewed its operational budgets for 2016-17 and restructured its staffing arrangements at Head Office to ensure that it operates within its income levels. The net effect of these changes is shown on the balance sheet for 8 months of the financial year. Moving forward, this strategic move will safeguard our core services for people and equally present an opportunity to assess how our work is delivered but will involve some aspects of our current work being put on hold.

Our Ebay online work continues to develop to provide the charity with additional income.

The use of our Head Office in Carlisle has been reviewed and spaces within the building are now commercially let again to generate additional income.

PARTNERSHIP WORKING

We maintain close working relationships with a number of statutory and volunteer agencies involved with providing support for people with cerebral palsy and similar disabilities.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of CP Cumbria Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 8 July 2017 and signed on their behalf by:

Mrs Elaine Thomson , Chair

CP CUMBRIA LIMITED
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2017

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CP CUMBRIA LIMITED

I report on the financial statements of the charity for the year ended 31 March 2017 which are set out on pages 9 to 22.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on the after 1 January 2015.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

**INDEPENDENT EXAMINER'S
STATEMENT**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:

Dated: 8 July 2017

Jonathan Miller FCA DChA

FULL CIRCLE ACCOUNTANCY LIMITED

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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE
ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:				
Donations and legacies	2	31,683	31,683	43,772
Other trading activities	3	179,989	179,989	197,291
Investments	5	6,601	6,601	2,627
TOTAL INCOME		218,273	218,273	243,690
EXPENDITURE ON:				
Raising funds:				
Voluntary income		5,848	5,848	2,663
Fundraising trading		126,223	126,223	138,453
Charitable activities	8	103,672	103,672	117,672
TOTAL EXPENDITURE	9	235,743	235,743	258,788
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES				
Gains on revaluations of fixed assets	13	(17,470)	(17,470)	(15,098)
		-	-	60,000
NET MOVEMENT IN FUNDS		(17,470)	(17,470)	44,902
RECONCILIATION OF FUNDS:				
Total funds brought forward		18,029	18,029	(26,873)
TOTAL FUNDS CARRIED FORWARD		559	559	18,029

All activities relate to continuing operations.

The notes on pages 11 to 22 form part of these financial statements.

CP CUMBRIA LIMITED
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REGISTERED NUMBER: 07327176

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		178,083		177,447
CURRENT ASSETS					
Debtors	14	20,204		16,140	
Cash at bank and in hand		12,070		22,589	
		<u>32,274</u>		<u>38,729</u>	
CREDITORS: amounts falling due within one year	15	(27,972)		(21,289)	
NET CURRENT ASSETS			4,302		17,440
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>182,385</u>		<u>194,887</u>
CREDITORS: amounts falling due after more than one year	16		(181,826)		(176,858)
NET ASSETS			<u>559</u>		<u>18,029</u>
CHARITY FUNDS					
Unrestricted funds:	17				
Unrestricted funds	17	(59,441)		(41,971)	
Revaluation reserve		60,000		60,000	
Total unrestricted funds			<u>559</u>		<u>18,029</u>
TOTAL FUNDS			<u>559</u>		<u>18,029</u>

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 8 July 2017 and signed on their behalf, by:

Mrs Elaine Thomson , Chair

The notes on pages 11 to 22 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

I. ACCOUNTING POLICIES

I.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

CP Cumbria Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

I.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

I.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

I. ACCOUNTING POLICIES (continued)

I.4 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

I. ACCOUNTING POLICIES (continued)

I.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

I.6 Tangible fixed assets and depreciation

All assets costing more than £300 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

The company has not depreciated its property in accordance with FRS 102. The trustees consider that as the charity has a policy of regular repair and maintenance, the asset will be kept to its previously assessed standard.

With exception of the property, tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- Not depreciated
Plant and machinery	- 15% and 20% straight line
Computer equipment	- 20% straight line

I.7 Revaluation of tangible fixed assets

The charity has adopted the cost model whereby items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

I.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

I. ACCOUNTING POLICIES (continued)

I.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

I.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

I.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

I.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

I.13 Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

I.14 Value Added Tax

Value Added Tax is payable on certain shop income and recoverable on charity shop purchases.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Voluntary income	30,368	30,368	21,517
Legacies	1,000	1,000	13,904
Grants	-	-	4,233
Similar incoming resources	315	315	4,118
	<hr/>	<hr/>	<hr/>
Total donations and legacies	31,683	31,683	43,772
	<hr/>	<hr/>	<hr/>

In 2017, of the total income from donations and legacies, £31,683 was to unrestricted funds and £ NIL was to restricted funds

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Shop income	168,781	168,781	184,231
General fundraising	11,208	11,208	13,060
	<u>179,989</u>	<u>179,989</u>	<u>197,291</u>

In 2017, of the total income from other trading activities, £168,781 was to unrestricted funds and £ NIL was to restricted funds.

4. FUNDRAISING TRADING ACTIVITIES

	2017 £	2016 £
Total shop expenditure	<u>138,453</u>	<u>158,723</u>

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Rental income	6,520	6,520	2,520
Bank interest	81	81	107
	<u>6,601</u>	<u>6,601</u>	<u>2,627</u>

In 2017, of the total investment income, £6,601 was to unrestricted funds and £ NIL was to restricted funds.

6. DIRECT COSTS

	Society £	Welfare £	Total 2017 £	Total 2016 £
Office and IT	10,672	-	10,672	13,668
Travel	497	2,764	3,261	3,757
Sundry	-	164	164	-
Staff wages and salaries	23,537	25,898	49,435	59,808
Employers NIC	329	-	329	1,171
Depreciation	2,070	-	2,070	1,888
	<u>37,105</u>	<u>28,826</u>	<u>65,931</u>	<u>80,292</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

7. SUPPORT COSTS

	Society £	Total 2017 £	Total 2016 £
Office and IT	3,885	3,885	5,849
Premises	4,759	4,759	3,326
Management	21,957	21,957	21,886
	<u>30,601</u>	<u>30,601</u>	<u>31,061</u>

8. GOVERNANCE COSTS

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Accountancy	2,974	2,974	2,791
Legal and professional	3,204	3,204	3,528
Bank interest	336	336	-
Bank charges	626	626	-
	<u>7,140</u>	<u>7,140</u>	<u>6,319</u>

9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	-	-	5,848	5,848	2,663
Expenditure on fundraising trading	80,438	-	45,785	126,223	138,453
Costs of generating funds	<u>80,438</u>	<u>-</u>	<u>51,633</u>	<u>132,071</u>	<u>141,116</u>
Society	23,866	2,070	41,770	67,706	111,353
Welfare	25,898	-	2,928	28,826	-
Charitable activities	<u>49,764</u>	<u>2,070</u>	<u>44,698</u>	<u>96,532</u>	<u>111,353</u>
Expenditure on governance	<u>-</u>	<u>-</u>	<u>7,140</u>	<u>7,140</u>	<u>6,319</u>
	<u>130,202</u>	<u>2,070</u>	<u>103,471</u>	<u>235,743</u>	<u>258,788</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	2,070	1,888
	<hr/>	<hr/>

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

11. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,101 (2016 - £1,080), and other services of £1,873 (2016 - £1,711).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

12. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	128,436	141,418
Social security costs	1,766	3,224
	<u>130,202</u>	<u>144,642</u>

The average number of persons employed by the charity during the year was as follows:

	2017 No.	2016 No.
Fundraising and publicity	1	2
Shops	9	9
Administrative and management	0	1
Family support	6	6
	<u>16</u>	<u>18</u>

No employee received remuneration amounting to more than £60,000 in either year.

During the year statutory redundancy payments of £7,163 were paid.

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2016	175,000	3,493	6,627	185,120
Additions	-	-	2,706	2,706
Disposals	-	-	(1,080)	(1,080)
At 31 March 2017	<u>175,000</u>	<u>3,493</u>	<u>8,253</u>	<u>186,746</u>
Depreciation				
At 1 April 2016	-	2,458	5,215	7,673
Charge for the year	-	545	1,093	1,638
On disposals	-	-	(648)	(648)
At 31 March 2017	<u>-</u>	<u>3,003</u>	<u>5,660</u>	<u>8,663</u>
Net book value				
At 31 March 2017	<u>175,000</u>	<u>490</u>	<u>2,593</u>	<u>178,083</u>
At 31 March 2016	<u>175,000</u>	<u>1,035</u>	<u>1,412</u>	<u>177,447</u>

The property was revalued on 31 March 2016 based on independent professional market valuations.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

13. TANGIBLE FIXED ASSETS (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2017 £	2016 £
Cost	115,000	115,000
Accumulated depreciation	-	-
Net book value	<u>115,000</u>	<u>115,000</u>

14. DEBTORS

	2017 £	2016 £
Trade debtors	1,957	2,325
Other debtors	12,815	6,957
Prepayments and accrued income	5,432	6,858
	<u>20,204</u>	<u>16,140</u>

15. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Other loans	5,938	-
Trade creditors	15,768	8,058
Other taxation and social security	649	1,130
Other creditors	2,196	7,076
Accruals and deferred income	3,421	5,025
	<u>27,972</u>	<u>21,289</u>

**16. CREDITORS:
Amounts falling due after more than one year**

	2017 £	2016 £
Other loans	8,724	-
Other creditors	173,102	176,858
	<u>181,826</u>	<u>176,858</u>

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NOTES TO THE FINANCIAL STATEMENTS
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16. CREDITORS:

Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2017	2016
	£	£
Repayable by instalments	2,589	-

The loan is repayable over 36 months and the applicable rate of interest is 3%.

Other creditors represents the balance due to Cumbria Cerebral Palsy.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

17. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Carried Forward £
Unrestricted funds				
General Fund	(41,971)	218,273	(235,743)	(59,441)
Revaluation reserve	60,000	-	-	60,000
	<u>18,029</u>	<u>218,273</u>	<u>(235,743)</u>	<u>559</u>

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Carried Forward £
General funds	<u>18,029</u>	<u>218,273</u>	<u>(235,743)</u>	<u>559</u>

18. OPERATING LEASE COMMITMENTS

At 31 March 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	Land and buildings 2017 £	2016 £	2017 £	Other 2016 £
Amounts payable:				
Within 1 year	4,800	4,800	1,152	1,152
Between 1 and 5 years	23,198	23,198	4,432	2,560
Total	<u>27,998</u>	<u>27,998</u>	<u>5,584</u>	<u>3,712</u>

19. RELATED PARTY TRANSACTIONS

CP Cumbria Limited is related to Cumbria Cerebral Palsy (Registered number 05386416, Charity number 1110016) by way of common control. During the year expenses were paid by Cumbria Cerebral Palsy on behalf of CP Cumbria Limited. CP Cumbria Limited makes repayments as and when funds permit. At 31 March 2017 CP Cumbria Limited owed Cumbria Cerebral Palsy £173,102 (2016 £176,858).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

20. FIRST TIME ADOPTION OF FRS 102

It is the first year that the charity has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 March 2016 and the date of transition to FRS 102 and SORP 2015 was therefore 1 April 2015. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.

21. CONTROLLING PARTY

The company is under the control of the Trustees.

22. MEMBERS LIABILITY

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst a member, or within one year after ceasing as a member, for payment of the company's debts and liabilities contracted before ceasing to be a member, and of the costs, charges and expenses of winding up.