

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 SEPTEMBER 2006

REGISTERED COMPANY NUMBER: 1657517

REGISTERED CHARITY NUMBER: 326194

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

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**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

REGISTERED CHARITY NUMBER:

326194

PATRON

The Rt Hon Lord Jones PC

TRUSTEES

P Crowfoot (Resigned 06.04.06)
Mrs C S Griffin
D Linton
B Lowe (Resigned 16.12.05)
Dr D J McGlown
J D Smith (Chairman)
P J Summers MBE

CHIEF EXECUTIVE AND COMPANY SECRETARY

J Williams

REGISTERED OFFICE

The Old Coach House, Church Road
Eccleston
CHESTER
CH4 9HT

Website: www.b-i-r-d.org.uk
Email: admin@b-i-r-d.org.uk

REGISTERED COMPANY NUMBER

1657517

GOVERNING DOCUMENT

Memorandum and Articles of Association

AUDITORS

Champion
Chartered Accountants
2nd Floor Refuge House
33-37 Watergate Row
CHESTER
CH1 2LE

BANKERS

Barclays Bank plc
Victoria House
6 Market Place
WIGAN
Lancs
WN1 1QS

SOLICITOR

Walker Smith Way
26 Nicholas Street
CHESTER
CH1 2PQ

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT
REPORT OF THE COUNCIL OF MANAGEMENT – YEAR ENDED 30 SEPTEMBER 2006**

ORGANISATION

BIRD (The Centre for Brain Injury Rehabilitation and Development) abbreviated here as BIRD, is a Charity, constituted as a company limited by guarantee, established on 10 August 1982 and does not have any share capital. BIRD is governed by Memorandum and Articles of Association and members of the council are both Trustees in terms of charity law and directors of the Company.

APPOINTMENT

The Trustees are the members of this registered charity as referred to in the Memorandum of Articles of Association. They are elected by unanimous approval of the other members, and offered for appointment by invitation of the chairperson in office at the time.

No other person or body is entitled to appoint Trustees.

Potential Trustees apply to the Chairman in writing to express an interest in joining the Board of Management, illustrating their skills and knowledge and what particular strengths they can bring to the Board.

The Chair considers the application and matches it to the existing skills of the Trustees.

The applicant is invited to meet with the Chair who then gives an overview of the Charity's history, its aims and objectives, financial position and a copy of the Governing Document, strategic vision document and Responsibilities of Charity Trustees (CC3 issued by the Charity Commission).

The applicant is then invited to observe the next EGM and is introduced to other Trustees. Should the potential Trustee agree to join the Board and there are no objections from existing Trustees a formal letter of invitation is issued.

The induction process includes meeting with the Chief Executive and key personnel of the Charity during which they will receive explanation of the Governing Document, financial accounts and overview of the Charity History, strategic plan, vision and values statement.

The new Trustee is asked to sign a document to say that they have read and understood all the induction documents and to sign a declaration that they are not disqualified from acting as a Charity Trustee.

The new Trustee is co-opted onto the Board at the next EGM.

ORGANISATIONAL STRUCTURE

The BIRD Charity is a company limited by guarantee. Company registration number: 1657517. Incorporated on 10 August 1982. A registered charity, number: 326194.

Management of the company is effected by a senior management team of Chief Executive and Practice/Administration Manager.

Governance of the Charity and Company is the responsibility of the Trustee/Directors with clearly defined terms of reference, delegation to Sub Committees and lines of authority and reporting. The Management team implements the Policies laid down by the Board and takes responsibility for the day to day running of the Company.

The names of Trustee/Directors are listed on page 1. Members of Council retire by rotation, in accordance with the Articles of Association and if eligible, may offer themselves for re-election by the Council members. The Council appoints new members subject to re-election at the next Annual General Meeting, on the basis of their skills and experience, relevant to the effective management of the company. The Patron of the Charity is Lord Jones. The Finance sub-committee has a three person membership consisting of Mr D Linton, and Dr D J McGlown and Mr J D Smith. The total staff team consists of 5 full-time and three part-time staff. Dr D J McGlown is Clinical Consultant to the Charity

Management Accounts are prepared and reviewed monthly by the Chairman and members of the Finance Sub Committee and quarterly reports prepared for all Board members.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**TRUSTEES' ANNUAL REPORT
REPORT OF THE COUNCIL OF MANAGEMENT – YEAR ENDED 30 SEPTEMBER 2006**

The Annual Accounts are independently audited.

The Trustees receive comprehensive reports from the Chief Executive and Clinical Consultant at EGM and AGM meetings.

STATEMENT OF RESPONSIBILITIES OF MEMBERS OF COUNCIL

Company law requires the Members of the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and its incoming resources and application of resources for that period. In preparing the statement the Directors are required to:-

- select suitable accounting policies and apply them;
- make judgements that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Members of Council are responsible for maintaining proper accounting records and for disclosing with reasonable accuracy at any time the financial position of the company enabling them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps to ensure the prevention and detection of fraud and other irregularities.

OBJECTS

BIRD is established for the relief, treatment and advancement of brain injured persons and of persons with a range of disabilities and learning difficulties which owe their origins to development dysfunctions of the central nervous system.

The BIRD Charity supports children and adults who have a brain dysfunction through its treatment programme 'Developmental Reflexive Rehabilitation' which has been successful in improving the lives of brain injured children and adults since 1982 when Dr David McGlown, pioneer of the BIRD approach to treatment, founded the BIRD Charity.

Families and individuals are invited to the Charity's Centre near Chester where each child or older person is given an initial assessment followed by a comprehensive report reading during which information is given as to whether the treatment is suitable for the individual concerned. An individually designed programme of rehabilitation exercises is taught to parents or carers who carry out the programme on a daily basis in their own homes. Close contact is maintained with families in between visits to the Centre for reviews of the programme to monitor progress.

In this way, the Centre helps a significant number of children and adults achieve their potential and increase their quality of life enjoyment. The success of the treatment is evident from the number of families and individuals who wish others to hear of the positive outcomes from joining the BIRD treatment programme.

EQUAL OPPORTUNITIES

The BIRD Charity has an inclusive Equal Opportunities policy irrespective of colour, race, creed or financial means. It operates a Bursary Award system to ensure that children and adults from low income families receive equality of opportunity to join the treatment programme. Children and adults from all over the United Kingdom are leading more independent and fulfilling lives through the dedication of the BIRD staff in partnership with their families and carers.

POLICIES

BIRD has implemented a number of detailed policies in relation to personnel and other matters including;

- Equal Opportunities
- Health and Safety
- Conflicts of Interest

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**TRUSTEES' ANNUAL REPORT
REPORT OF THE COUNCIL OF MANAGEMENT – YEAR ENDED 30 SEPTEMBER 2006**

- Reserves
- Child Protection
- Complaints
- Risk Management

RESERVES POLICY

BIRD's Reserves Policy focuses on the level of 'free' reserves. These reserves exclude restricted and designated funds.

BIRD retains free reserves for two main reasons:

- To manage the risks to which the Charity is exposed in the course of its business, including;
- Safeguarding activities funded by volatile voluntary income streams or by other sources that may be reduced or withdrawn;
- To finance future plans, in line with BIRD's aims and strategic vision.

The Trustees consider that to meet these needs they should have reserves of £125,000. This represents 6-12 months expenditure. BIRD's free reserves were £131,805 at 30 September 2006 (£193,238 at September 2005) that represented 6 months of expenditure cover.

Internal Control and Risk Management

The day to day management of the Company is delegated by the directors to John Williams – Chief Executive and Helen Schielke – Practice/Administration Manager.

The systems of internal control are designed to provide reasonable assurance against material mis-statement or loss and include:

- A full budget approved by the Board;
- Regular consideration by the Board of financial results, variance from budget and non-financial performance indicators;
- Delegation of authority and segregation of duties;
- Financial control systems which are reviewed and audited on an annual basis;
- Identification and management of financial risks by the Board and Line Management.

The Board has introduced a formal risk management process to assess business risk and implement strategies, which is reviewed yearly. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. As a part of this process, the Board regularly reviews existing risks and the enhancement of procedures and policies, where these are required. These are implemented by the Chief Executive and Practice Manager of BIRD, who are accountable to the Board.

TRUSTEES REPORT

Review of the year

The year 2005/06 has been a challenging one for the charity, following the restructuring of the clinical services in the previous year. Revenue received from parental contributions was down on the year but fortunately funding was secured from BBC Children in Need which has enabled us to add a graduate physiotherapist to the staff team who is now undertaking an extensive training programme in Developmental Reflexive Rehabilitation at the Centre and in the coming year will enable a greater patient throughput.

Income from fundraising fell short of expectations and during the year the ongoing process of exploring the possibilities of securing alternative sources of financial support for the work of the Charity continued.

The Trustees and key staff of BIRD carried out a strategic review and a positive plan of action has been put in place to safeguard the future financial viability of the Charity.

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**TRUSTEES' ANNUAL REPORT
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A revaluation of the freehold property which has served the needs of the charity since 1983 was undertaken in July, 2006 which has resulted in an increase in book value of £76,686. This figure has been incorporated into the financial statement.

The Trustees made the decision to sell the current property at Broughton and is to move the work of the Charity to a suitable building in the village of Eccleston, Cheshire. The new Centre will be leased from the Duke of Westminster's Estate. Capital realised from the sale will be used to secure the medium term future financial stability of the charity's work.

The Trustees are grateful to families, carers and individual patients who support the charity through allowing their case stories to be used by the media to help raise the awareness of the BIRD treatment programme. These heart-warming stories are used to publicise the benefits of the programme to people with a wide range of neurological problems through the national and local media and also feature on our website and information packs as an encouragement to others.

During the year BIRD received financial support from Trusts, Foundations, businesses, groups and individuals, who have donated sums, large and small to ensure that the Centre has been able to provide its effective programme of work for children and adults.

The Trustees would also like to take this opportunity to thank all the staff of BIRD for their hard work during the past year.

In the coming year the Board will be actively seeking new Trustees to strengthen its infrastructure and a full induction plan has been set in place to ensure the effectiveness of anyone chosen to become a Trustee.

We now look forward to 2007 which is a year in which the Charity celebrates its 25th year of foundation by Dr D J McGlown. This is an important milestone which will be used to raise the profile of the work of BIRD with professionals and the public and attract greater numbers of people who may benefit from its programme of rehabilitation the charity offers.

DEVELOPMENTAL REFLEXIVE REHABILITATION PROGRAMME

The BIRD Charity has well equipped treatment rooms which are used at all stages of the treatment programme.

Two graduates with a psychology background and two graduate physiotherapists administer the BIRD treatment approach known as The Developmental Reflexive Rehabilitation Programme. The staff carry out the programme under Consultant Dr D J McGlown.

Following an 'Initial Assessment', 'Report Reading' and teaching of the specific remedial exercise programme to the family, they are invited to return to the Centre after six weeks to monitor progress and check that the exercises are being correctly carried out. A further visit at three months to review progress is followed by three monthly reviews at the Centre, until discharge from the programme. Families are encouraged to keep in close contact with the programme team, who can then offer advice and guidance throughout the treatment period.

In order to regulate the use of the charity funds for treatment purposes, the charity launched its Bursary Award Scheme in 2004. Since its foundation in 1982, the Charity has supported 50% of the treatment value for everyone who joins the programme, using funds donated for that purpose. The Bursary Award aims to give support for the balance of treatment cost for children and adults with low incomes. They can apply for up to 100% of the balance of the cost of treatment whilst on the programme. This is a fair way of ensuring that most financial help goes to those in greatest need.

The Bursary Award Scheme has been supported by many Trusts and businesses through the 'Little Miracles Appeal'.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**TRUSTEES' ANNUAL REPORT
REPORT OF THE COUNCIL OF MANAGEMENT – YEAR ENDED 30 SEPTEMBER 2006**

COMMENTS ABOUT OUR WORK

It is encouraging that the work of the Charity continues to have such an impact upon the lives of children and adults with neuro-developmental dysfunction, who richly deserve the chance to improve their quality of life.

The endorsements of parents speak for themselves.

Julianne from Scotland,

'Before BIRD we had no thoughts for the future and saw our little girl being unable to have any independence or choice of life but since coming to BIRD her quality of life is excellent'

Wendy from Shropshire

'having been told by doctors that there was 'no hope' for our son, BIRD has helped him enormously, he can now do things that a year ago we never thought possible'

Simon from Manchester

'Looking back now we feel that it is nonsense for medical people to have told us that autistic children cannot be helped, through BIRD our son's behaviour has been changed forever. It hasn't been a cure, our son still has his own little ways but he has gained in confidence, is a lot happier and we now feel that there is a good chance that he will live independently as an adult'

Chiz from Manchester

'I came to BIRD as a last resort. A few days after starting the programme we saw small improvements, after two years we have never looked back, thank you BIRD a million times over!'

Alex from Merseyside

'It's a long slow process, but I'm so proud of my dad for making it. Above all, BIRD gave us hope where before we were without it. You can't go on without hope and only BIRD gave us that. They're a wonderful organisation and I've told them that if I ever win the lottery, £2 million of it is theirs!'

Tracy from Southampton

'Its such a pity we didn't know about BIRD earlier, the improvements in our daughter have been amazing. It is a truly remarkable organisation'

AUDITORS

In accordance with Section 385 of the Companies Act 1985 a resolution to reappoint Champion Chartered Accountants will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board
David Linton
Director

Date:

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

We have audited the financial statements of The Centre for Brain Injury Rehabilitation and Development (Limited by Guarantee) for the year ended 30 September 2006 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the members of The Centre for Brain Injury Rehabilitation and Development (Limited by Guarantee), 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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described in the Statement of Trustees' Responsibilities the Trustees (who are also the Directors of The Centre for Brain Injury Rehabilitation and Development (Limited by Guarantee) for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Auditing Standards (UK and Ireland).

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 Trustees' Annual Report is not consistent with the financial statements, 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 Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with International Auditing Standards (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 financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, 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 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 30 September 2006, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Champion

2nd Floor Refuge House
33-37 Watergate Row
CHESTER
CH1 2LE

Chartered Accountants
and Registered Auditors

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	Notes	Unrestricted funds £	Restricted funds £	2006 Total funds £	2005 Total funds £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary Income					
Donations		92,386	15,914	108,300	197,353
Legacies		-	-	-	-
Activities for Generating Funds					
Sundry clinical income		120	-	120	260
Fundraising		4,115	-	4,115	405
Event income		3,825	-	3,825	-
Investment income (interest receivable)	2	7,031	-	7,031	10,591
Incoming Resources from Charitable Activities					
Parental/patient contributions		70,265	-	70,265	101,920
TOTAL INCOMING RESOURCES		<u>177,742</u>	<u>15,914</u>	<u>193,656</u>	<u>310,529</u>
RESOURCES EXPENDED					
Cost of Generating Funds					
Cost of Generating Voluntary Income					
Fundraising costs		34,060	-	34,060	33,839
Support costs	5	7,589	-	7,589	4,561
Advertising and publicity		1,877	-	1,877	5,062
Fundraising Trading: Cost of Goods Sold and Other Costs					
Event costs		2,949	-	2,949	-
	3	<u>46,475</u>	<u>-</u>	<u>46,475</u>	<u>43,462</u>
Cost of Charitable Activities					
Costs relating to direct services		135,807	2,827	138,634	263,965
Essential equipment/medicines		151	24	175	520
Bursaries		4,764	18,473	23,237	23,351
Clinical support costs	5	33,564	-	33,564	36,197
	4	<u>174,286</u>	<u>21,324</u>	<u>195,610</u>	<u>324,033</u>
Governance Costs	6	<u>23,723</u>	<u>-</u>	<u>23,723</u>	<u>40,107</u>
TOTAL RESOURCES EXPENDED		<u>244,484</u>	<u>21,324</u>	<u>265,808</u>	<u>407,602</u>
Net (Outgoing)/Incoming Resources before Transfers					
Transfers between Funds		(66,742)	(5,410)	(72,152)	(97,073)
		331	(331)	-	-
Net Incoming Resources before Other Recognised Gains and Losses					
		(66,411)	(5,741)	(72,152)	(97,073)
Gains and losses on revaluation of fixed assets for the charity's own use		74,686	-	74,686	-
Net Movement in Funds		<u>8,275</u>	<u>(5,741)</u>	<u>2,534</u>	<u>(97,073)</u>
Fund balances brought forward at 1 October 2005		<u>419,058</u>	<u>10,071</u>	<u>429,129</u>	<u>526,202</u>
Fund balances carried forward at 30 September 2006		<u>352,647</u>	<u>4,330</u>	<u>431,663</u>	<u>429,129</u>

The notes on pages 10 to 17 form part of these financial statements.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

BALANCE SHEET AS AT 30 SEPTEMBER 2006

	Notes	£	2006 £	£	2005 £
Fixed Assets					
Tangible assets	11		295,528		225,820
Current Assets					
Debtors	12	1,615		140	
Cash at bank and in hand	13	144,132		212,791	
			<u>145,747</u>	<u>212,931</u>	
Creditors: amounts falling due within one year	14	(9,612)		(9,622)	
			<u>136,135</u>	<u>203,309</u>	
Net Current Assets					
			<u>431,663</u>	<u>429,129</u>	
Net Assets			<u><u>431,663</u></u>	<u><u>429,129</u></u>	
Funds:					
Unrestricted Funds					
General funds	18		131,805		193,238
Capital funds	18		250,000		175,314
Designated funds	18		45,528		50,506
Restricted Funds	15		<u>4,330</u>		<u>10,071</u>
Total Funds			<u><u>431,663</u></u>	<u><u>429,129</u></u>	

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board of directors on:

and signed on its behalf by:

.....
DAVID LINTON
Director

The notes on pages 10 to 17 form part of these financial statements.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

1. **Accounting Policies**

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets and are in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities", published in 2005, and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Depreciation of tangible fixed assets

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

Freehold property	2%	straight line
Fixtures and fittings	10%	reducing balance
Plant and equipment	15%	reducing balance

Incoming Resources

Voluntary income is received by way of donations, and also by way of parental/patient contributions towards the costs of treatment, where donors feel that they can make these contributions, and these strands of voluntary income are included in full in the Statement of Financial Activities in the year in which they are receivable.

Legacies

Legacy income is accounted for when the amount receivable is known with reasonable certainty.

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. Legacy income has been accrued to this fund.

Designated funds

Designated funds are unrestricted funds earmarked by the Board of Trustees for particular purposes.

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 management and support costs.

Capital funds

Represents that portion of the charity's funds which has been earmarked by the board of trustees as the value of the land and buildings held by the charity.

Pensions

The company operates a defined contribution pension scheme. Contributions for the year are charged in the profit and loss account.

Allocation of costs

BIRD's operating costs include staff costs, and other related costs. All costs are allocated between the costs of generating funds, activities in furtherance of the charity's objects, and support and other costs. Most costs incurred by BIRD are directly attributable to individual activities involved in the treatment of its clientele. Where costs are not directly attributable to treatment activities, they are apportioned pro-rata to the total direct costs of activities, or to property costs. The cost of overall direction and administration on each activity, comprising the salary and overhead costs of the central function, is apportioned on a percentage basis as an estimate of staff time attributable to each activity.

Parental/patient contributions

Incoming resources from the treatment of our clientele are shown in full on the face of the Statement of Financial Activities in the year in which they are receivable.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

Fundraising Social Events

Donations and all other receipts from fundraising are reported gross, and the related fundraising costs are reported in other expenditure. Resources expended are recognised in the period in which they are incurred, and include attributable VAT which cannot be recovered.

2. Investment Income

The charity does not as yet have an investment portfolio, and this income is restricted to interest receivable from the various bank and C.O.I.F. cash deposits, as follows:-

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Bank deposit interest	636	-	636	1,516
C.O.I.F. interest	6,395	-	6,395	9,075
	<u>7,031</u>	<u>-</u>	<u>7,031</u>	<u>10,591</u>

3. Cost of generating funds

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Refund of collection	-	-	-	313
Fundraising costs	2,712	-	2,712	2,012
Salaries and NIC proportion	31,348	-	31,348	31,514
Advertising and publicity	1,877	-	1,877	5,062
Support costs	7,589	-	7,589	4,561
Event costs	2,949	-	2,949	-
	<u>46,475</u>	<u>-</u>	<u>46,475</u>	<u>43,462</u>

4. Cost of Charitable Activities

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Clinical costs (salaries, pension contributions & NIC)	135,807	2,827	138,634	263,965
Medicines and medical equipment	151	24	175	520
Bursaries	4,764	18,473	23,237	23,351
Support costs	33,564	-	33,564	36,197
	<u>174,286</u>	<u>21,324</u>	<u>195,610</u>	<u>324,033</u>

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

5. Support Costs

	Unrestricted funds	Restricted funds	Total 2006	Total 2005
	£	£	£	£
Printing, postage and stationery	4,644	-	4,644	7,110
Recruitment expenses	2,288	-	2,288	58
Telephone	2,126	-	2,126	2,053
Computer running costs	5,756	-	5,756	3,972
Equipment hire	2,162	-	2,162	880
Heating and lighting	2,327	-	2,327	2,222
Repairs and renewals	4,735	-	4,735	8,459
Motor, travelling and subsistence	4,339	-	4,339	1,896
Rates and insurances	10,821	-	10,821	11,522
Sundry expenses	1,955	-	1,955	2,586
	<u>41,153</u>	<u>-</u>	<u>41,153</u>	<u>40,758</u>

	Unrestricted funds	Restricted funds	Total 2006	Total 2005
	£	£	£	£
Costs of generating funds	7,589	-	7,589	4,561
Cost of charitable activities	<u>33,564</u>	<u>-</u>	<u>33,564</u>	<u>36,197</u>
	<u>41,153</u>	<u>-</u>	<u>41,153</u>	<u>40,758</u>

6. Governance Costs

	Unrestricted funds	Restricted funds	Total 2006	Total 2005
	£	£	£	£
Bank charges	155	-	155	96
Depreciation	6,069	-	6,069	10,901
Legal and professional fees	13,007	-	13,007	24,727
Auditor's remuneration	4,492	-	4,492	4,383
	<u>23,723</u>	<u>-</u>	<u>23,723</u>	<u>40,107</u>

Governance costs represent expenditure in the management of BIRD's assets, organisation administration, and compliance with constitutional and statutory requirements.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
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7. Total Resources Expended

	Staff costs £	Deprec- iation £	Other costs £	Total 2006 £	Total 2005 £
Cost of charitable activities	133,634	-	61,976	195,610	324,033
Cost of generating funds	31,348	-	15,127	46,475	43,462
Governance costs	-	6,069	17,654	23,723	40,107
	<u>164,982</u>	<u>6,069</u>	<u>94,757</u>	<u>265,808</u>	<u>407,602</u>

Staff costs and numbers:

	£	£
Staff costs comprise		
Wages and salaries	147,154	262,447
Social security costs	15,238	30,352
Pension contributions	2,590	2,680
	<u>164,982</u>	<u>295,479</u>

Average number of employees (full time equivalent) during the year:

Chief Executive	1	1
Clinical Director	-	1
Clinical services	4	4
Outreach Officer	-	1
Administration and support	2	3
	<u>7</u>	<u>10</u>

Information regarding employees and trustees

The number of senior staff paid over £60,000 during the year (salary plus benefits excluding pension contributions) was:

	2006 No	2005 No
£60,001 - £70,000	-	-
£70,001 - £80,000	-	-
£80,001 - £90,000 (See below)	-	1

During 2005 the clinical director was made redundant. As part of his contract he was due 12 months redundancy pay. This meant his total gross pay for the year was £82,167.

The salaries and benefits of the Chief Executive and the staff of BIRD are set by the board of trustees on the basis of recommendations from BIRD'S finance sub-committee, in conjunction with the guidance of Chesterman Swann Company, an independent external firm of Human Resource Consultants. This committee's recommendations are made following analysis of the salaries of senior staff in comparable NHS and commercial organisations.

Pension contributions this year amounted to £2,590 (2005 - £2,680).

Included in clinical costs is an amount of £5,000 paid to Dr D J McGlown, a trustee, for consultancy services during the year.

Also, although the governing document provides for the payment of out-of-pocket-expenses to trustees, this has been waived, and no trustee has received such reimbursement.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

8. Connected Persons

There were no transactions with related parties during the period under review. The appropriate disclosure has been made to all members, and the measure is in accordance with Clause 4 of the Memorandum of Association.

9. Taxation

The charitable company is exempt from corporation tax in its charitable activities under Section 505 of the Income and Corporation Taxes Act 1988.

10. Net Incoming Resources

	2006	2005
	£	£
Net incoming resources is stated after charging:		
Auditor's remuneration	4,492	4,384
Bank charges	155	96
Depreciation of tangible fixed assets	6,002	10,901
Professional fees	13,007	24,727

11. Tangible Fixed Assets for use by the charity

	Plant and equipment	Fixtures and fittings	Freehold land and buildings	Total
	£	£	£	£
Cost or valuations				
At 1 October 2005	36,905	88,321	241,409	366,635
Additions	-	1,091	-	1,091
Revaluation in year	-	-	8,591	8,591
At 30 September 2006	<u>36,905</u>	<u>89,412</u>	<u>250,000</u>	<u>376,317</u>
Depreciation:				
At 1 October 2005	18,694	56,026	66,095	140,815
Charge for the year	2,729	3,340	-	6,069
Revaluation in year	-	-	(66,095)	(66,095)
At 30 September 2006	<u>21,423</u>	<u>59,366</u>	<u>-</u>	<u>80,789</u>
Net book value:				
At 30 September 2006	<u>15,482</u>	<u>30,046</u>	<u>250,000</u>	<u>295,528</u>
At 30 September 2005	<u>18,211</u>	<u>32,295</u>	<u>175,314</u>	<u>225,820</u>

The net book value of Land and Buildings comprises freehold land and buildings of £250,000 (2005 - £179,942). This includes freehold land with an estimated value of £10,000 (2005 - £10,000) which is not depreciated.

The land and buildings were revalued in July 2006 to £250,000 by Dixon Webb, Chartered Surveyors. The historical cost of the land and buildings at 1 October 2005 and 30 September 2006 was £241,409.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**NOTES TO THE FINANCIAL STATEMENTS
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12. Debtors

	2006	2005
	£	£
Contributions due from parents/patients	1,015	140
Prepayments	600	-
	<u>1,615</u>	<u>140</u>

13. Cash at bank and in hand

	2006	2005
	£	£
Bank accounts:		
Current account	8,209	16,788
C.O.I.F. charities deposit fund	134,629	148,234
Business reserve (higher interest) account	1,280	47,644
Cash in hand	14	125
	<u>144,132</u>	<u>212,791</u>

14. Creditors: amounts falling due within one year

	2006	2005
	£	£
Accruals and deferred income	5,256	5,239
PAYE	4,356	4,383
	<u>9,612</u>	<u>9,622</u>

15. Movements in Restricted Funds

	Balance brought forward	Income	Expenditure	Transfer to/from restricted funds	Balance carried forward
	£	£	£	£	£
MacRoberts	2,085	-	2,085	-	-
Eveson Trust	4,160	-	3,920	-	240
Eleanor Rathbone (Merseyside)	-	-	-	-	-
M Crawford Trust	400	-	400	-	-
A Tranmer	-	-	-	-	-
Liverpool Social Services	-	-	-	-	-
Baily Thomas	2,346	-	2,346	-	-
Scarfe Trust	240	-	240	-	-
James Quinn	840	-	-	-	840
Willand Brownies	-	67	67	-	-
P Bilton	-	355	24	331	-
Walker Trust	-	5,000	3,570	-	1,430
Thomas Farr	-	2,500	1,260	-	1,240
Royal Navy Children's Fund	-	665	665	-	-
W O Street	-	2,500	2,500	-	-
Annie Tranmer	-	1,000	420	-	580
Priory Foundation	-	2,827	2,827	-	-
Radio City	-	1,000	1,000	-	-
	<u>10,071</u>	<u>15,914</u>	<u>21,324</u>	<u>331</u>	<u>4,330</u>

**THE CENTRE FOR BRAIN INJURY REHABILITATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

16. Analysis of Net Assets between Funds

	Tangible fixed assets £	Net current assets £	Deferred government grants £	Total assets £
Restricted funds	-	4,330	-	4,330
Unrestricted funds	295,528	131,805	-	427,333
	<u>295,528</u>	<u>136,135</u>	<u>-</u>	<u>431,663</u>

17. Purpose of Restricted Funds

MacRoberts Trust	Restricted for the treatment of a child from Aberdeenshire - £2,085 has been allocated for a child currently receiving treatment from this area towards the second year treatment costs of a 4 year old from this area.
Eveson Trust	Restricted funds for the treatment of a child from the West Midlands area. The balance of £240 has been allocated for the use of a child from this area for the year 2006/07.
M Crawford Charity	Restricted funds for the treatment of a named child from Chester.
Baily Thomas	Restricted funds for treatment costs – Little Miracles Appeal.
Scarfe Trust	Restricted funds for the treatment of a child from the Ipswich area.
James Quinn	Restricted funds for the treatment of James Quinn.
Willand Brownies	Restricted funds for the treatment of Grace Ryan.
P Bilton	Restricted funds towards neurological equipment, the restriction ends when the equipment is purchased and the asset is transferred to the unrestricted funds.
Walker Trust	Restricted funds for the treatment of a child from Shropshire.
Thomas Farr	Restricted funds for the treatment of children from the Nottinghamshire area.
Royal Navy Children’s Fund	Restricted funds for the treatment of Ben Williams.
W O Street	Restricted funds for the treatment of children from Cheshire.
Annie Tranmer	Restricted funds for the treatment of children from the Ipswich area.
Priory Foundation	Restricted funds towards services of a physiotherapist.
Radio City	Restricted funds for the treatment of children from the Merseyside area.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

18. Movements in Unrestricted Funds

	Balance brought forward	Income	Expenditure	Revaluation	Transfer	Balance carried forward
	£	£	£	£	£	£
General fund	193,238	177,742	(238,415)	-	(760)	131,805
Capital fund	175,314	-	-	74,686	-	250,000
Designated funds: Fixtures, fittings and equipment	50,506	-	(6,069)	-	1,091	45,528
	<u>419,058</u>	<u>177,742</u>	<u>(244,484)</u>	<u>74,686</u>	<u>331</u>	<u>427,333</u>

During the year ended 30 September 1997 the board of trustees chose to separate the land and buildings from the free reserves of the charity. In doing so this amount was classed as a Permanent Capital Endowment fund. This was corrected to a Capital fund within the Unrestricted funds this year.

19. Members

The charity is incorporated as a company limited by guarantee having no share capital. In accordance with the Memorandum of Association each of the 5 members are liable to contribute £10 in the event of the company being wound up.

20. Post Balance Sheet Events

On 1 November 2006, the charity entered into a lease agreement for new premises. The annual rental will be £19,388. The charity has put the building at 131 Main Road, Broughton up for sale at £250,000.

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	2006		2005	
	£	£	£	£
Income				
Contributions due from patients		70,265		101,920
Sundry clinical income		120		260
Unrestricted donations		92,386		131,249
Restricted donations		15,914		66,104
Fundraising		4,115		405
Event income		3,825		-
Bank deposit interest		636		1,516
C.O.I.F. - interest		6,395		9,075
		<hr/>		<hr/>
		193,656		310,529
Expenditure				
Direct expenditure	34,073		25,883	
Operating costs	188,174		316,823	
Establishment	19,838		24,789	
Finance	17,654		29,206	
Depreciation	6,069		6,273	
		<hr/>		<hr/>
		265,808		402,974
Deficit being Excess of Income over Expenditure		<hr/> <hr/>		<hr/> <hr/>
		(72,152)		(92,445)

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**SCHEDULE TO THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	2006	2005
	£	£
Direct Expenditure		
Bursaries	23,237	23,351
Medicines and medical equipment	175	520
Clinical consultancy	5,000	-
Fundraising costs	2,712	2,012
Event costs	2,949	-
	<u>34,073</u>	<u>25,883</u>
Indirect Expenditure (Operating Costs)		
Refund of collection	-	313
Salaries and casual labour	147,154	262,447
National insurance contributions	15,238	30,352
Life insurance and pension contributions	2,590	2,680
Printing, postage and stationery	4,644	7,110
Recruitment expenses	2,288	58
Telephone	2,126	2,053
Motor and travelling expenses	4,339	1,896
Advertising and publicity	1,877	5,062
Computer running costs	5,756	3,972
Equipment hire	2,162	880
	<u>188,174</u>	<u>316,823</u>
Establishment		
Heating and lighting	2,327	2,222
Repairs and renewals	4,735	8,459
Rates and insurances	10,821	11,522
Sundry expenses	1,955	2,586
	<u>19,838</u>	<u>24,789</u>
Finance		
Bank charges	155	96
Legal and professional charges	13,007	24,727
Auditor's remuneration	4,492	4,383
	<u>17,654</u>	<u>29,206</u>

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**CLINIC INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	£	2006 £	£	2005 £
Income				
Contributions due from patients		70,265		101,920
Sundry clinical income		120		260
		<u>70,385</u>		<u>102,180</u>
Bursaries		23,237		23,351
		47,148		78,829
Expenditure				
Overheads	192,411		332,448	
Life insurance and pension contributions	2,590		2,680	
Auditor's remuneration	4,492		4,383	
Depreciation	6,069		6,273	
		<u>205,562</u>		<u>345,784</u>
Less proportion of expenses applicable to fundraising		31,348		31,514
		<u>174,214</u>		<u>314,270</u>
Deficit for the year		<u>(127,066)</u>		<u>(235,441)</u>

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**SCHEDULE OF OVERHEADS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	2006	2005
	£	£
Salaries and casual labour	118,775	233,958
National insurance contributions	12,269	27,327
Medicines and medical equipment	175	520
Clinical consultancy	5,000	-
Rates and insurances	10,821	11,522
Heat and light	2,327	2,222
Telephone	2,126	2,053
Printing, postage and stationery	4,644	7,110
Recruitment expenses	2,288	58
Motor and travelling expenses	4,339	1,896
Advertising and publicity	1,877	5,062
Computer running costs	5,756	3,972
Repairs and renewals	4,735	8,459
Equipment hire	2,162	880
Sundry expenses	1,955	2,586
Bank charges	155	96
Legal and professional charges	13,007	24,727
	<hr/>	<hr/>
	192,411	332,448
	<hr/> <hr/>	<hr/> <hr/>

**THE CENTRE FOR BRAIN INJURY REHABILITATION
AND DEVELOPMENT (LIMITED BY GUARANTEE)**

**CHARITABLE AND FUNDRAISING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

	£	2006 £	£	2005 £
Income				
Donations unrestricted		92,386		131,249
Donations restricted		15,914		66,104
Fundraising social events:				
Income	4,115		405	
Event income	3,825		-	
Expenditure (including fundraisers imprest account and mileage)	(2,712)		(2,012)	
Event costs	(2,949)		-	
		<u>2,279</u>	<u>-</u>	<u>(1,607)</u>
Restricted donations repaid		-		(313)
		<u>110,579</u>		<u>195,433</u>
Miscellaneous income				
Bank interest received		636		1,516
C.O.I.F. interest		6,395		9,075
		<u>117,610</u>		<u>206,024</u>
Less Indirect expenses				
Salaries	28,379		28,489	
National insurance contributions	2,969		3,025	
		<u>31,348</u>	<u>31,514</u>	
Add Proportion of expenses applicable to fundraising	31,348		31,514	
		<u>62,696</u>	<u>31,514</u>	<u>63,028</u>
Surplus for the year		<u><u>54,914</u></u>		<u><u>142,996</u></u>