

**THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS**  
**Balance Sheet**  
**As at 31 March 2009**

	Notes	2009 £	2008 £
<b>Fixed Assets</b>			
Tangible assets	6	<u>3,131,313</u>	<u>3,128,667</u>
<b>Current Assets</b>			
Debtors	7	32,950	40,526
Cash at bank and in hand		17,677	17,747
Cash on deposit		<u>274,405</u>	<u>260,540</u>
		325,032	318,813
<b>Creditors: Amount falling due within one year</b>	8	<u>(67,437)</u>	<u>(76,904)</u>
Net current assets		<u>257,595</u>	<u>241,909</u>
<b>Total assets less current liabilities</b>		<u>3,388,908</u>	<u>3,370,576</u>
<b>Net assets</b>		<u>3,388,908</u>	<u>3,370,576</u>
<b>Funds</b>			
Restricted funds	11	3,364,022	3,346,100
Unrestricted funds	11	<u>24,886</u>	<u>24,476</u>
		<u>3,388,908</u>	<u>3,370,576</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charitable companies and the Financial Reporting Standard for Smaller Entities (effective January 2007 ) relating to small companies.

**APPROVED BY THE BOARD OF GOVERNORS**  
and signed on its behalf by:

H Fraser  
Chairman



Date:

24/8/09.

The notes on pages 17 to 23 form part of these financial statements

**THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2009**

**1. Accounting Policies**

**Basis of accounting**

The financial statements have been prepared on the historical cost basis of accounting and in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

**Incoming Resources**

Grants receivable from the Scottish Government Education Department towards operating costs are credited to the Statement of Financial Activities (SOFA) in the year in which they accrue and are treated as restricted funds.

Grants from the Government and donations for the purchase of assets capitalised in the financial statements are recognised in full in the SOFA within the restricted capital fund in the year in which they accrue. The depreciation of these items is treated as an expense of the restricted fund.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided as restricted funds.

**Resources expended**

All expenditure is accounted for on an accruals basis.

Costs of generating funds comprise the costs associated with attracting voluntary income and costs to support other fund raising activities.

Charitable expenditure comprises those costs incurred by the Centre in meeting its charitable purpose: the provision of conductive education.

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the Centre and include audit fees and costs linked to the strategic management of the Centre.

Support or overhead costs not directly attributable to an activity are allocated on the basis of an estimate of the time spent by staff on relevant duties and the nature of non staff expenditure incurred.

**Depreciation**

Items of equipment for which capital grants are received are capitalised in the financial statements.

Items of equipment for which revenue grants are receivable and all items costing individually less than £1,000 are written off to revenue in the year of purchase.

The land of the Craighalbert Centre is not depreciated.

Depreciation is provided on all other fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected life as follows: -

Buildings of the Craighalbert Centre	50 years
Buildings, other than the Craighalbert Centre	20 years
Improvements to buildings	10 years
Equipment	5 years
Motor vehicles	4 years

**VAT**

The Centre is not registered for VAT and accordingly expenditure includes VAT where appropriate.

**Operating leases**

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

**THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2009 – Cont'd**

**Accounting Policies – cont'd**

**Pensions**

The Centre participates in the Strathclyde Pension Fund, the Scottish Teachers' Superannuation Fund and the Scottish Health Service Superannuation Fund, all of which provide benefits based on final pensionable salary. The assets of the schemes are held separately from those of the Centre in independently administered funds. Contributions to the schemes are charged to the SOFA so as to spread the cost over the employees' working lives with the Centre.

**2. Grants and Local Authority Fees**

The Centre receives a grant from the Scottish Government Education Department towards operating costs. Income is also received from Scottish Local Authorities who refer children to the Centre. This income, together with related operating costs, is dealt with as restricted funds in the financial statements.

**3. Donations**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
The Friends of the Craighalbert Centre	132,506	75,038
Other donations	<u>125</u>	<u>65</u>
	<u><b>132,631</b></u>	<u><b>75,103</b></u>

Details of the donations from The Friends of Craighalbert Centre are given in note 10. All funds raised by the fundraiser are donated to the Friends of the Craighalbert Centre in accordance with an arrangement acknowledged by the Scottish Government Education Department.

**4. Staff numbers and costs**

The average monthly number of employees of the centre during the year was: -

	<b>2009</b>	<b>2008</b>
	<b>No.</b>	<b>No.</b>
Administration	5	5
Teaching	24	25
Non-teaching	<u>14</u>	<u>14</u>
	<u><b>43</b></u>	<u><b>44</b></u>

The aggregate remuneration and associated costs of the Centre's employees were: -

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Wages and salaries	894,327	892,054
Social security costs	51,903	65,809
Pension costs	<u>121,340</u>	<u>97,676</u>
	<u><b>1,067,570</b></u>	<u><b>1,055,539</b></u>

The Governors received no remuneration during the year, except for reimbursed expenses of £118 (2008:£120).

One employee received remuneration in excess of £60,000 (within the band of £60,000-£70,000).

This employee has benefits accruing under a defined benefit pension scheme.

The governors of the charity are indemnified out of the assets of the company against any liability incurred in that capacity in defending any proceedings in which judgement is given in favour or in which there is an acquittal or in connection with any application in which relief is granted by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

The annual premium was £3,819.

**THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2009 – Cont'd**

**5. Total resources expended**

	<b>Conductive Education £</b>	<b>Generating Funds £</b>	<b>Governance £</b>	<b>Total 2009 £</b>	<b>Total 2008 £</b>
<b>Allocated directly to activities:</b>					
Remuneration and associated costs	954,396	28,708	-	983,104	976,438
Training and conferences	8,159	-	-	8,159	7,703
Staff recruitment	<u>7,417</u>	<u>-</u>	<u>-</u>	<u>7,417</u>	<u>3,607</u>
	969,972	28,708	-	998,680	987,748
Service costs	80,611	9,329	-	89,940	104,066
Property costs	38,644	-	-	38,644	6,043
Office and administration costs	4,327	-	-	4,327	3,904
Governors' expenses	-	-	118	118	120
Auditor's remuneration	-	-	5,407	5,407	2,981
Fundraiser's expenses	-	9,401	-	9,401	848
Depreciation	<u>154,028</u>	<u>-</u>	<u>-</u>	<u>154,028</u>	<u>138,573</u>
Total direct costs	1,247,582	47,438	5,525	1,300,545	1,244,283
Support costs allocated (see below)	<u>203,125</u>	<u>10,129</u>	<u>4,887</u>	<u>218,141</u>	<u>256,947</u>
Total resources expended	<u>1,450,707</u>	<u>57,567</u>	<u>10,412</u>	<u>1,518,686</u>	<u>1,501,230</u>

**Support costs are allocated as follows:**

Remuneration and associated costs	76,116	4,230	4,229	84,575	63,657
Travel and motor expenses	8,534	449	-	8,983	11,017
Service costs	2,534	133	-	2,667	1,421
Property costs	76,249	4,013	-	80,262	126,635
Office and administration costs	23,094	646	-	23,740	40,023
Treasurer's fees	4,750	-	-	4,750	2,500
Equipment leasing	<u>11,848</u>	<u>658</u>	<u>658</u>	<u>13,164</u>	<u>11,694</u>
Totals allocated to activities	<u>203,125</u>	<u>10,129</u>	<u>4,887</u>	<u>218,141</u>	<u>256,947</u>

**6. Tangible assets**

	<b>Land £</b>	<b>Buildings £</b>	<b>Equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>					
At 31 March 2008	86,101	3,643,927	283,883	107,228	4,121,139
Additions	-	62,830	93,844	-	156,674
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2009	86,101	3,706,757	377,727	107,228	4,277,813
<b>Depreciation</b>					
At 31 March 2008	-	734,831	235,068	22,573	992,472
Charge for year	<u>-</u>	<u>105,061</u>	<u>22,160</u>	<u>26,807</u>	<u>154,028</u>
At 31 March 2009	<u>-</u>	<u>839,892</u>	<u>257,228</u>	<u>49,380</u>	<u>1,146,500</u>
<b>Net Book Value at 31 March 2009</b>	<u>86,101</u>	<u>2,866,865</u>	<u>120,499</u>	<u>57,848</u>	<u>3,131,313</u>
<b>Net Book value at 31 March 2008</b>	<u>86,101</u>	<u>2,909,096</u>	<u>48,815</u>	<u>84,655</u>	<u>3,128,667</u>

A standard security in favour of the Scottish Government Education Department has been granted in accordance with note 10.

**THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2009 – Cont'd**

<b>7. Debtors</b>		<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Trade debtors	10,175	7,797
	Scottish gas overpayment	5,934	-
	Pension overpayment due to employer and employees	-	22,634
	The Friends of the Craighalbert Centre	<u>16,841</u>	<u>10,095</u>
		<u>32,950</u>	<u>40,526</u>
<b>8. Creditors: amounts falling due within one year</b>		<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Bank overdraft	55,816	62,607
	Trade creditors	548	-
	Pension overpayment due to employees	-	7,189
	Accruals	<u>11,073</u>	<u>7,108</u>
		<u>67,437</u>	<u>76,904</u>
<b>9. Taxation</b>			

The Centre is recognised by HM Customs & Revenue as a charity and accordingly no liability to corporation tax is anticipated on any of its income.

**10 Statement of funds**

	At 1 April 2008 £	Income £	Expenditure £	Transfers	At 31 March 2009 £
Unrestricted fund					
Development fund	24,476	410	-	-	24,886
Restricted funds					
Conductive education:					
Revenue fund	217,433	1,418,771	(1,364,658)	(38,837)	232,709
Capital fund	<u>3,128,667</u>	<u>117,837</u>	<u>(154,028)</u>	<u>38,837</u>	<u>3,131,313</u>
Total funds	<u>3,370,576</u>	<u>1,537,018</u>	<u>(1,518,686)</u>	<u>-</u>	<u>3,388,908</u>

Transfers between the Revenue and Capital Funds are made to provide for Capital Expenditure incurred by the centre which are not funded by another source. Government Capital grants cover only a percentage of qualifying expenditure and The Friends of the Craighalbert Centre provide funding from time to time for specific capital items.

The development fund is a free fund not designated for a particular purpose.

Restricted funds are funds given for a particular purpose. The restricted funds held by the Centre are used wholly to provide conductive education.

The Revenue fund receives grants from the Scottish Government Education Department, fees from local authorities, donations and income from other sources to meet the operating costs of the Centre. Included within the Revenue fund income are the following donations from The Friends of Craighalbert Centre amounting to £105,389– Hydrotherapy Pool running costs £16,500, Sponsored Services (Under Two's £39,286 Sponsored Services (Siblings) £3,105, Sponsored Services (Summer School) £3,000, Fundraisers salary and expenses of £38,109 and grants for equipment repairs of £5,389.

**THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2009 – Cont'd**

**10. Statement of Funds – Cont'd.**

The Capital fund represents the net book value of the Centre's buildings and other fixed assets. Capital grants have been received by the Centre for specific purposes. Included within the income of the Capital fund for the year are donations from The Friends of Craighalbert of £3,163 towards the cost of capital equipment and £32,113 for a walkway extension.

Standard securities have been granted in respect of these grants over the land and buildings at the Craighalbert Centre, 1 Craighalbert Way, Cumbernauld and also over the residential buildings owned by the Centre.

**11. Analysis of group net assets between funds**

	<b>Fixed Assets £</b>	<b>Net Current Assets £</b>	<b>Total £</b>
Unrestricted funds			
Development fund	-	24,886	24,886
Restricted funds			
Conductive education:			
Revenue Fund	-	232,709	232,709
Capital fund	<u>3,131,313</u>	<u>-</u>	<u>3,131,313</u>
	<u>3,131,313</u>	<u>265,754</u>	<u>3,388,908</u>

**12. Share Capital**

The Centre is a company limited by guarantee and therefore has no share capital. Each member undertakes to contribute an amount not exceeding £1, in the event of the company being wound up.

**13. Pension Schemes**

The Centre operates three defined benefit pension schemes which provide benefits on final pensionable pay. In all cases the assets of the schemes are held, separately, from those of the Centre, in independently administered funds.

The details of the schemes are:

a) Strathclyde Pension Fund.

The fund is a multi-employer defined benefit scheme, administered in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998, as amended. Whilst SSAP 24 'Accounting for pension costs' disclosure and measurement principles have been applied in these financial statements, the disclosure below sets out the transitional disclosures required by FRS 17 'Retirement benefits' for the current year.

**THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2009 – Cont'd**

**13. Pension Schemes – cont'd**

A full actuarial valuation was carried out at 31 March 2008 by a qualified independent actuary using the projected unit method. The market value of the Scheme's assets at the valuation date was £9,479 million. The major assumptions used by the actuary were:

	<b>31 March 2008</b>
	<b>% per annum</b>
Price increases	3.6%
Salary increases	5.1 %
Pension increases	3.6%
Discount rate	6.1 %

Expected return on assets:

Equities	6.7%
Bonds	5.0%

The valuation revealed a shortfall of assets compared to past service liabilities of £486 million (equivalent to a past service funding level of 95%). On the basis of the valuation assumptions the actuary provides recommendations for future contribution rates that would be necessary if a funding level of 100% is to be targeted over a period equal to the remaining working lifetime of employees.

For the year to 31 March 2009 the contributions of employees were 6% for non-manual staff and 5% for manual staff and of the Centre 16.8% for non-manual staff and 14% for manual staff. For the year to 31 March 2010, the Centre's contributions have been notified as:

	<b>Non-manual</b>	<b>Manual</b>
Year to 31 March 2010	17.3 %	no longer contribute

**b) Scottish Teachers' Superannuation Scheme (STSS)**

The STSS is an unfunded multi-employer defined benefit scheme. It is accepted that the treatment can be as a defined contribution scheme as the Centre is unable to identify its share of the underlying assets and liabilities of the scheme. A full actuarial valuation was carried out at 31 March 2005. The results of this valuation were rolled forward to give a liability of £19.33 billion at 31 March 2008. The financial assumptions used in this valuation included:

	<b>31 March 2008</b>
	<b>% per annum</b>
Salary increases	1.0 %
Pension increases	2.5%
Discount rate	5.3 %

As the scheme is unfunded, there can be no surplus or shortfall. Pension contribution rates will be set by the schemes actuary at a level to meet the cost of pensions as they accrue. Employer contribution rates are reviewed every five years following a scheme valuation by the Government Actuary. For the year to 31 March 2009 the contributions of the Centre and employees were 13.5% and 6.4% respectively. The Centre has been informed that its contribution rate is expected to rise to 14.9% for the year to 31 March 2010.

**THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2009 - Cont'd**

(c) National Health Service Superannuation Scheme (Scotland) (NHSSS)

The NHSSS is an unfunded multi-employer defined benefit scheme. It is accepted that the treatment can be as a defined contribution scheme as the Centre is unable to identify its share of the underlying assets and liabilities of the scheme. A full actuarial valuation was carried out at 31 March 2004. The results of this valuation were rolled forward to give a liability of £21.1 billion at 31 March 2008. The financial assumptions used in this valuation included:

	<b>31 March 2008</b>
	<b>% per annum</b>
Salary increases	1.0 %
Price increases	2.5%
Discount rate	5.3 %

As the scheme is unfunded there can be no surplus or shortfall. Pension contribution rates will be set by the schemes actuary at a level to meet the cost of pensions as they accrue. From 1 April 2004 the contributions of the Centre and employees were set at 14.0% and 6% respectively on the advice of an interim report from the Government Actuary. Employee contributions rose to 6.5% from April 2008. In the year to 31 March 2010 the employer rate will change to 13.5%.

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
The total pension charges for the year were	<u>121,340</u>	<u>97,676</u>

**14. Financial Commitments**

As at 31 March 2009 the company had annual commitments under non-cancellable operating leases, other than for land and buildings, as follows:

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Annual commitments under operating leases:		
Expiring between two and five years	<u>13,253</u>	<u>12,826</u>