

REGISTERED COMPANY NUMBER: 04460611 (England and Wales)
REGISTERED CHARITY NUMBER: 1093691

Report of the Trustees and
Financial Statements For The Year Ended 31 December 2010

for

The Cornwall Multiple Sclerosis
Therapy Centre Limited

T/A
The Merlin Project

WARD RANDALL LIMITED
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
The Parade
Liskeard
Cornwall
PL14 6AF

The Cornwall Multiple Sclerosis
Therapy Centre Limited
T/A The Merlin Project

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for the Year Ended 31 December 2010

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Chairman's Report
for the Year Ended 31 December 2010

2010 was the first full year of the Centre's operation and by any yardstick it was most successful. We provided therapies, including hyperbaric oxygen and physio to 539 people with Multiple Sclerosis and 198 individuals with other conditions.

Importantly owing to the success of our fundraising activities we were able to subsidise therapies for those with MS to the extent of £55,000 and construct Phase 2 of the Centre.

Phase 2 is important for a number of reasons. Firstly it completes the Centre as originally conceived, secondly it provides much needed additional space for therapy rooms, meeting rooms, office space and kitchen facilities and lastly it enables us to increase quite substantially the amount of income earned by the Centre itself.

A particular achievement during the year was the raising of our profile in Cornwall through enhanced links with the PCT and the GP Commissioning Board, the introduction of a counselling service, our splint clinic for those with neurological conditions and the Renew fitness programme.

Fundraising itself is a challenge, particularly in these depressed economic times. We need to raise £250,000 per year to run the centre, subsidise our users to the extent we would like and to put a little aside each year for the inevitable rainy day or the unexpected. We are enormously indebted to the host of volunteers who help raise these funds whether through coffee mornings, fetes, golf days, making things for sale, shaking collection boxes or undertaking some quite terrifying act. Every £1 counts and is valuable to us just as are the monthly donations from the Friends of Merlin Project and those who remember us in their wills.

We also have wonderful volunteers who help to keep the Centre going and who ensure the grounds look so good. Every visitor to the Centre remarks on the restful environment they feel and it is due to the efforts of these volunteers and our staff that this is achieved.

Finally I would like to thank all our staff under the leadership and guidance of Loraine Long for the excellent job they do and the hard work they put in to ensure that the Centre is able to fulfil its primary objective-improving the quality of life for those with MS.

Simon Sherrard

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2010. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04460611 (England and Wales)

Registered Charity number
1093691

Registered office
The Cornwall MS Therapy Centre
Bradbury House
Hewas Water
Cornwall
PL26 7JF

Trustees

Mr G Bond	- appointed 8.3.10 - resigned 11.5.10
Mr D V K Blewett	
Mrs S J Coode	
Mr P W Davies MBE	
Mrs L G Hanbury-Tenison	
Ms S A Key-Stone	
Mr S B B Lawrence	- appointed 28.6.10
Mrs N A Minear	
Dr. D M G Murphy MBE	
Mrs E M Murphy	
Mr D Perks	- appointed 28.6.10
Mr S P Sherrard	
Mr A R H Welford	

Company Secretary

Mr A R H Welford

Auditors

WARD RANDALL LIMITED
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
The Parade
Liskeard
Cornwall
PL14 6AF

Bankers:

Barclays Bank Plc
Truro Group
55A Bank Street
Newquay
Cornwall
TR7 1JE

COMMENCEMENT OF ACTIVITIES

The company was incorporated on 13th June 2002 and commenced its fundraising activities on 1st October 2002.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is incorporated as a company limited by guarantee under the provisions of the Companies Acts 1985-2006. Its governing constitutional documents are its memorandum and articles of association which are publicly available from the Registrar of Companies via its web-site.

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the company in the event of a winding up.

Recruitment and appointment of new trustees

During the year two new trustees were appointed, Mr D A Perks and Mr S B B Lawrence. As Trustees retire by rotation the charity continues to seek additional trustees with the relevant knowledge and experience to assist in the achievement of the charity's objects.

Induction and training of new trustees

All new trustees are required to familiarise themselves with the charity and its aims and responsibilities, are given guidance and support by existing trustees and are encouraged to learn about the responsibilities of trusteeship through the Charities Commission website.

Organisational structure

The centre is run on a day-to-day basis by a manager appointed by the trustees. The manager reports to the trustees who continue to have responsibility for policy decisions.

The activities of the charity are also dependant on a large number of volunteers, coordinated by the manager, who are essential in the raising of funds and the operational success of the centre. Information is disseminated to volunteers and other supporters through regular newsletters and open meetings.

Wider network

The charity has informal links with local branches of The Multiple Sclerosis Society and is a member of Multiple Sclerosis National Therapy Centres Ltd.

The trustees have identified a number of other conditions, which will benefit from the hyperbaric oxygen therapy available in the centre, and are developing links with potential beneficiaries of this treatment.

Related parties

The only related parties are the trustees and full disclosure has been made in the notes to the accounts in respect to any related party transactions.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have assessed the risks, in particular those related to the operations and finances of the Trust, and are satisfied that there are adequate systems and controls in place to mitigate the exposure to any major risks.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Trust's primary tasks are the management of the centre, delivering a wide range of therapy services, and raising funds not only to keep the facility operational but also to provide financial assistance to those with Multiple Sclerosis who might otherwise be unable to benefit from the therapies.

In addition during the first part of the year funds were raised to build Phase 2 of the centre which was satisfactorily completed in September.

The objective of the centre is to offer a range of treatments, orthodox and complementary, known to benefit people suffering from Multiple Sclerosis and practised by properly qualified therapists. A secondary objective is to provide these therapies to individuals with other conditions who can benefit from them. Such conditions would include sports injuries, ME, Parkinson's disease and other neurological complaints.

An additional objective is to raise the awareness in Cornwall of the needs of those suffering from Multiple Sclerosis, the profile of the disease and the requirements of the carers of those afflicted with it.

The trustees have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission with respect to the public benefit requirement.

Significant activities

The principal work of the charity during the year was to ensure that the centre was appropriately staffed and successfully managed and to promote fundraising events. In addition numerous applications were made to grant giving organisations and charitable trusts in furtherance of the charity's objectives.

The most significant individual event was the completion of Phase 2 which extended the number of therapy rooms, and provided a first class meeting room and kitchen facilities. This new space will enhance the revenue raising potential of the centre itself.

As the complexities of the charity's activities have evolved particular attention has been paid by the trustees to ensure that the administration and management processes were fit for purpose.

Volunteers

Many of the charity's supporters, who either suffer from MS or care for people with the disease, have contributed considerable time and effort in fundraising. A number of volunteers have helped maintain an excellent level of service and maintained the grounds to a high standard.

The trustees are keen to expand the number of volunteers, particularly amongst those members of the population affected by conditions other than MS who can benefit from the centre's therapies.

ACHIEVEMENT AND PERFORMANCE

During the year the charity was successful in raising sufficient funds to cover the annual running costs of the centre and to undertake the construction of Phase 2 with only a small call on the cash balances raised as part of the earlier fundraising efforts.

During the year the centre provided hyperbaric oxygen therapy to 342 individuals with Multiple Sclerosis and 156 individuals with other conditions. Other therapies such as physiotherapy were provided to 197 individuals with Multiple Sclerosis and 42 individuals with other conditions. The charity subsidised the therapies of those with Multiple Sclerosis to the amount of £55,000 during the year.

FINANCIAL REVIEW

Reserves policy

Following the completion of Phase 2 of the centre the charity transferred an amount of £86,133 into restricted reserves. The balance of the reserves is unrestricted and can be used for general purposes.

Principal funding sources

Funding sources range from individual donations (usually between £10 and £100), group activities initiated by volunteers (£200 to £2000), to donations or events run by businesses, clubs, churches etc (£1000 to £25,000). Importantly £7,518 was raised through regular giving by The Friends of The Merlin Project. In addition £38,568 was received by way of legacies and £38,750 from grants from charitable and other organisations. £38,834 was received in respect of services provided by the centre.

FUTURE DEVELOPMENTS

The main objective is to maintain the operational success of the Centre while at the same time initiate fundraising activities to ensure that the charity remains financially sound.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Cornwall Multiple Sclerosis Therapy Centre Limited for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

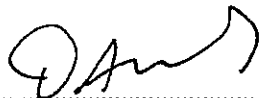
AUDITORS

The auditors, WARD RANDALL LIMITED, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The Cornwall Multiple Sclerosis
Therapy Centre Limited
T/A The Merlin Project

Report of the Trustees
for the Year Ended 31 December 2010

ON BEHALF OF THE BOARD:



.....
Mr D Perks - Trustee

Date: 02 AUG 2011

Report of the Independent Auditors to the Members of
The Cornwall Multiple Sclerosis
Therapy Centre Limited
T/A The Merlin Project

We have audited the financial statements of The Cornwall Multiple Sclerosis Therapy Centre Limited for the year ended 31 December 2010 on pages nine to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company'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 explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

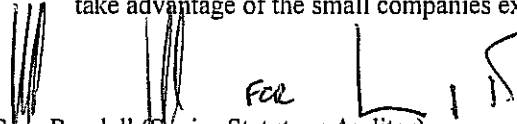
In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
The Cornwall Multiple Sclerosis
Therapy Centre Limited
T/A The Merlin Project

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.


Gary Randall (Senior Statutory Auditor)
for and on behalf of WARD RANDALL LIMITED
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
The Parade
Liskeard
Cornwall
PL14 6AF

Date: 02/08/2011

The Cornwall Multiple Sclerosis
Therapy Centre Limited
T/A The Merlin Project

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2010

	Notes	Unrestricted funds £	Restricted funds £	31.12.10 Total funds £	31.12.09 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	143,084	-	143,084	169,199
Activities for generating funds	3	96,056	-	96,056	105,581
Investment income	4	45	-	45	269
Other incoming resources		<u>75</u>	<u>-</u>	<u>75</u>	<u>100</u>
Total incoming resources		239,260	-	239,260	275,149
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	59,846	-	59,846	32,651
Fundraising trading: cost of goods sold and other costs	6	3,258	-	3,258	3,458
Charitable activities	7				
Alleviation of suffering to M.S. patients		167,128	(9,219)	157,909	152,992
Governance costs	8	<u>24,255</u>	<u>-</u>	<u>24,255</u>	<u>30,723</u>
Total resources expended		254,487	(9,219)	245,268	219,824
NET INCOME/(EXPENDITURE) FOR THE YEAR before transfers					
		(15,227)	9,219	(6,008)	55,325
Gross transfers between funds	15	<u>(86,133)</u>	<u>86,133</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year		(101,360)	95,352	(6,008)	55,325
RECONCILIATION OF FUNDS					
Total funds brought forward		212,319	1,580,742	1,793,061	1,737,736
TOTAL FUNDS CARRIED FORWARD		<u>110,959</u>	<u>1,676,094</u>	<u>1,787,053</u>	<u>1,793,061</u>

The notes form part of these financial statements

The Cornwall Multiple Sclerosis
Therapy Centre Limited
T/A The Merlin Project

Balance Sheet
At 31 December 2010

	Notes	Unrestricted funds £	Restricted funds £	31.12.10 Total funds £	31.12.09 Total funds £
FIXED ASSETS					
Tangible assets	12	51,163	1,676,094	1,727,257	1,619,844
CURRENT ASSETS					
Stocks		845	-	845	533
Debtors: amounts falling due within one year	13	17,342	-	17,342	1,454
Cash at bank and in hand		<u>54,619</u>	<u>-</u>	<u>54,619</u>	<u>211,446</u>
		72,806	-	72,806	213,433
CREDITORS					
Amounts falling due within one year	14	<u>(13,010)</u>	<u>-</u>	<u>(13,010)</u>	<u>(40,216)</u>
NET CURRENT ASSETS		<u>59,796</u>	<u>-</u>	<u>59,796</u>	<u>173,217</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>110,959</u>	<u>1,676,094</u>	<u>1,787,053</u>	<u>1,793,061</u>
NET ASSETS		<u>110,959</u>	<u>1,676,094</u>	<u>1,787,053</u>	<u>1,793,061</u>
FUNDS	15				
Unrestricted funds				110,959	212,319
Restricted funds				<u>1,676,094</u>	<u>1,580,742</u>
TOTAL FUNDS				<u>1,787,053</u>	<u>1,793,061</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on^{4TH Jul 2011}..... and were signed on its behalf by:



.....
Mr D Perks -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Land and buildings	- 2% on cost
Plant and machinery etc	- 33% on reducing balance and 20% on reducing balance

After considering the residual value and economic life of the property, the Trustees have decided that it would be more representative to depreciate one third of the cost of the property over 50 years. This is to reflect consumption of the specific design and construction costs relating to the needs of the charity.

The remaining two thirds will not be depreciated on the basis that it will hold its value. This assumption will be regularly reviewed by professional surveyors to ensure this is a reliable basis on which to prepare the accounts.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

2. VOLUNTARY INCOME

	31.12.10	31.12.09
	£	£
Donations	61,891	61,647
Gift aid	3,875	6,852
Legacies	38,568	5,000
Grants: Other	<u>38,750</u>	<u>95,700</u>
	<u>143,084</u>	<u>169,199</u>

3. ACTIVITIES FOR GENERATING FUNDS

	31.12.10	31.12.09
	£	£
Fundraising events	<u>96,056</u>	<u>105,581</u>

4. INVESTMENT INCOME

	31.12.10	31.12.09
	£	£
Deposit account interest	<u>45</u>	<u>269</u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	31.12.10	31.12.09
	£	£
Insurance	361	266
Telephone	208	206
Postage and stationery	14,113	17,040
Marketing and publicity	8,133	3,883
General fundraising expenses	<u>37,031</u>	<u>11,256</u>
	<u>59,846</u>	<u>32,651</u>

6. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	31.12.10	31.12.09
	£	£
Opening stock	533	2,449
Purchases	3,570	1,542
Closing stock	<u>(845)</u>	<u>(533)</u>
	<u>3,258</u>	<u>3,458</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

7. CHARITABLE ACTIVITIES COSTS

	31.12.10	31.12.09
	£	£
Alleviation of suffering to M.S. patients	<u>157,909</u>	<u>152,992</u>

8. GOVERNANCE COSTS

	31.12.10	31.12.09
	£	£
Staff costs	16,554	16,558
Accountancy	1,882	1,518
Post & stationery	784	947
Professional fees	896	7,084
Auditors' remuneration	2,709	1,584
Rent & rates	1,069	2,766
Insurance	<u>361</u>	<u>266</u>
	<u>24,255</u>	<u>30,723</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.12.10	31.12.09
	£	£
Auditors' remuneration	2,709	1,584
Depreciation - owned assets	<u>5,216</u>	<u>41,748</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2010 nor for the year ended 31 December 2009.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 December 2010 nor for the year ended 31 December 2009.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

11. STAFF COSTS

	31.12.10	31.12.09
	£	£
Wages and salaries	91,670	77,672
Social security costs	7,919	7,172
Other pension costs	3,129	-
	<u>102,718</u>	<u>84,844</u>

The average monthly number of employees during the year was as follows:

	31.12.10	31.12.09
Governance & Administration	<u>6</u>	<u>4</u>

There were no employees with emoluments above £60,000.

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2010	1,610,960	38,436	16,999	7,613	1,674,008
Additions	<u>87,135</u>	<u>5,022</u>	<u>12,437</u>	<u>8,036</u>	<u>112,630</u>
At 31 December 2010	<u>1,698,095</u>	<u>43,458</u>	<u>29,436</u>	<u>15,649</u>	<u>1,786,638</u>
DEPRECIATION					
At 1 January 2010	31,219	13,421	3,989	5,536	54,165
Charge for year	<u>(9,219)</u>	<u>6,008</u>	<u>5,089</u>	<u>3,338</u>	<u>5,216</u>
At 31 December 2010	<u>22,000</u>	<u>19,429</u>	<u>9,078</u>	<u>8,874</u>	<u>59,381</u>
NET BOOK VALUE					
At 31 December 2010	<u>1,676,095</u>	<u>24,029</u>	<u>20,358</u>	<u>6,775</u>	<u>1,727,257</u>
At 31 December 2009	<u>1,579,741</u>	<u>25,015</u>	<u>13,010</u>	<u>2,077</u>	<u>1,619,843</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.10	31.12.09
	£	£
Trade debtors	1,230	-
Other debtors	15,462	-
Prepayments and accrued income	<u>650</u>	<u>1,454</u>
	<u>17,342</u>	<u>1,454</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

13. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Other Debtors represents money due back from Cornwall County Council for works carried out to the site entrance.

14. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.10	31.12.09
	£	£
Trade creditors	5,483	35,528
Social security and other taxes	1,607	-
Accrued expenses	<u>5,920</u>	<u>4,688</u>
	<u>13,010</u>	<u>40,216</u>

15. **MOVEMENT IN FUNDS**

	At 1.1.10	Net movement in funds	Transfers between funds	At 31.12.10
	£	£	£	£
Unrestricted funds				
General fund	212,319	(15,227)	(86,133)	110,959
Restricted funds				
Restricted	1,580,742	9,219	86,133	1,676,094
TOTAL FUNDS	<u>1,793,061</u>	<u>(6,008)</u>	<u>-</u>	<u>1,787,053</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	239,260	(254,487)	(15,227)
Restricted funds			
Restricted	-	9,219	9,219
TOTAL FUNDS	<u>239,260</u>	<u>(245,268)</u>	<u>(6,008)</u>

Purpose of Restricted Funds :

Contributed towards the building cost of the centre £1,676,094

Notes to the Financial Statements - continued
for the Year Ended 31 December 2010

16. CONTINGENT LIABILITIES

In March 2008 the charity received a grant of £120,000 which contained a clause stating that the full amount received would be repayable to the donor if cessation of the charity operation took place at any time up to March 2013.

The trustees have assessed that there are no material uncertainties which cast significant doubt about the company's ability to continue until that date and as a result the loan was recognised as income in the year of receipt and no provision has been made for the potential amount repayable on the grounds that it is improbable that any repayment will ever be made. The accounts as prepared applying the Going Concern basis of accounting.

The Cornwall Multiple Sclerosis
Therapy Centre Limited
T/A The Merlin Project

Detailed Statement of Financial Activities
for the Year Ended 31 December 2010

	31.12.10 £	31.12.09 £
INCOMING RESOURCES		
Voluntary income		
Donations	61,891	61,647
Gift aid	3,875	6,852
Legacies	38,568	5,000
Grants: Other	<u>38,750</u>	<u>95,700</u>
	143,084	169,199
Activities for generating funds		
Fundraising events	96,056	105,581
Investment income		
Deposit account interest	45	269
Other incoming resources		
Online filing incentive	<u>75</u>	<u>100</u>
Total incoming resources	239,260	275,149
RESOURCES EXPENDED		
Costs of generating voluntary income		
Insurance	361	266
Telephone	208	206
Postage and stationery	14,113	17,040
Marketing and publicity	8,133	3,883
General fundraising expenses	<u>37,031</u>	<u>11,256</u>
	59,846	32,651
Fundraising trading: cost of goods sold and other costs		
Opening stock	533	2,449
Purchases	3,570	1,542
Closing stock	<u>(845)</u>	<u>(533)</u>
	3,258	3,458
Charitable activities		
Wages	76,670	62,672
Social security	6,365	5,614
Pensions	3,129	-
Carried forward	86,164	68,286

This page does not form part of the statutory financial statements

