

Company number: 05206298

Charity number: 1108160

OSCR number: SC041034

# The Cleft Lip and Palate Association

Report and financial statements  
For the year ended 31 March 2018



# The Cleft Lip and Palate Association

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### For the year ended 31 March 2018

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## The Cleft Lip and Palate Association

### Reference and administrative information

For the year ended 31 March 2018

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**Company number** 05206298

**Charity number** 1108160

**OSCR number** SC041034

**Registered office  
and operational  
address** CLAPA  
332b Goswell Road  
London EC1V 7LQ

**Country of  
registration** England & Wales

**Country of  
incorporation** United Kingdom

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

R Slator	Chair
N Astor	
J Gay	Treasurer
P Hodgkinson	
C Footman	
Y Jones	
J Morgan	
M Pinkstone	
O Hopkins	
A Strangeways	

D Stokes	Company Secretary
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**Bankers** Barclays Bank plc  
Hatton Garden Business Centre  
99 Hatton Garden  
London  
EC1N 8DN

**Auditor** Sayer Vincent LLP  
Chartered Accountants and Statutory Auditor  
Invicta House  
108-114 Golden Lane  
LONDON  
EC1Y 0TL

# The Cleft Lip and Palate Association

## Trustees' annual report

### For the year ended 31 March 2018

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The Trustees present their report and the audited financial statements for the year ended 31 March 2018.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Objectives and activities

### Purposes and aims

The Charity's objects are set out in its governing documents, the Memorandum and Articles of Association (July 2004): "the relief of and support for all those with cleft lip, cleft palate or both or associated craniofacial birth anomalies; the promotion of research into the causes of and the relief, treatment or care of those with cleft lip, cleft palate or associated craniofacial birth anomalies and conditions or any of them and to publish the useful results of such research"

The Trustees have paid due regard to the public benefit guidance issued by the Charity Commission in deciding what activities the charity should undertake and these activities are documented in the Strategic Plan for 2018–21, approved at the Trustee Away Day in September 2018. This plan is available on the CLAPA website [www.clapa.com](http://www.clapa.com).

As the charity approaches its 40<sup>th</sup> anniversary, CLAPA is a well-respected organisation in the cleft world, with a reputation for providing quality, evidenced-based services for young families, and for close working with researchers and NHS Cleft Teams.

The previous strategic period focused on embedding regional staff members throughout the UK to generate activity and support volunteers locally. Independent evaluation of this project has demonstrated the positive impact and ongoing need for locally-led, targeted services alongside those delivered from the national office. As the UK moves into a time of political and financial uncertainty, a key priority for CLAPA will be to consolidate and develop this service to ensure it can run in a sustainable way, particularly as grant funding becomes more and more difficult to secure. CLAPA's fundraising and communications teams will work closely together at this time to develop broad, stable income streams to support CLAPA's work, and to embed fundraising throughout the charity's messages.

This period will also see the delivery of the Adult Services Project (from March 2018) which is dedicated to researching the needs of adults born with a cleft in the UK. Any new services the charity seeks to develop at this time will be time-bound, fully funded and within capacity.

Finally, in reference to a wider theme of sustainability, this strategic period will see a strong focus on staff wellbeing and on developing CLAPA from the inside-out to ensure the core of the

## The Cleft Lip and Palate Association

### Trustees' annual report

#### For the year ended 31 March 2018

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organisation remains strong as the charity works to overcome the unique challenges the next three years will bring.

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

### Volunteers

Volunteers are the backbone of CLAPA as a charity – they work tirelessly all around the UK running local groups, organising local meet-ups, picking up cheques, speaking at schools, educating midwives and dental students and even sitting on research panels.

Full induction and training is provided for all volunteers, and travel and other expenses are reimbursed. Volunteers also receive regular support from local Regional Coordinators or Engagement Officers.

Volunteer and Supporter roles include:

- Adults Representation Committee (ARC) Member – Acting as a voice for adults affected by cleft across the UK, ARC members support CLAPA by generating and forming ideas for adult services, promoting awareness of services from CLAPA and the Cleft Teams, and informing and maintaining contact with CLAPA.
- Children and Young People's Council (CYPC) Member – Acting as a voice for children and young people affected by cleft, CYPC members support us by generating and forming ideas for children and young people's services, providing feedback to CLAPA, researchers and health professionals and promoting awareness of services provided by CLAPA.
- Events Group Member – Events Groups are made up of CLAPA volunteers who want to organise events to help their local cleft community come together to share experiences and meet each other in a fun and relaxed environment. These events might be a family-friendly trip to a local farm or park, a Christmas Party in a community venue, or whatever would help CLAPA reach out to people in the community.
- Cleft Clinic Volunteer – These volunteers are a friendly face and welcome parents, children and adults to their local Cleft Clinic. They are a point of contact between CLAPA, people

## The Cleft Lip and Palate Association

### Trustees' annual report

#### For the year ended 31 March 2018

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affected by cleft, and the Cleft Teams, to provide information to parents and individuals affected by cleft at Outpatients' Clinics.

- Happy Faces Group Coordinator – Happy Faces Group Coordinators organise local meet-ups and events for families affected by cleft. Happy Faces groups vary in size but all provide a meeting space for parents and children affected by cleft to socialise and access information and support in a mutually supportive space.
- Parent Supporter – Parent Supporters provide peer support to other parents of children affected by cleft, including those with unborn children (who've usually just found out at their 20 week scan). This involves providing information as well as offering emotional support. Parents contacting the Parent Support service are matched with a trained volunteer by a member of CLAPA's services team.

This role is crucial in providing information and peer support, especially emotional support, to all parents of children affected by cleft.

- Peer Supporter – Peer Supporters provide support to adults with, and affected by, cleft. Adults contacting the Peer Support service are matched with a trained volunteer by a member of CLAPA's services team.

This role is crucial in providing information and peer support, especially emotional support, to any young person or adult in the UK affected by cleft.

- Residential Weekend Volunteer – This role supports CLAPA staff at Residential Weekends and adventure days for children and young people affected by cleft. This role involves running or assisting with activities, providing practical help in setting up and administering the camps, and providing support for children, young people and their families alongside paid staff

#### Casual Volunteer Roles:

These roles do not require full training and regular supervision, but are still an important part of the cleft community's involvement with CLAPA.

- Fundraiser – These volunteers deliver and take part in a whole range of fundraising activities to support CLAPA's fundraising efforts.
- Patient Voices Group – Patient Voices Group provide the patients' perspective to Cleft Teams. Cleft Teams need to consult with patients on the way they provide services; volunteers act as the point of contact between the local cleft community and the Cleft Team.

## Strategic report

### Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on supporting families and individuals affected by cleft and are undertaken to further The Cleft Lip and Palate Association's charitable purposes for the public benefit.

After a period of rapid investment and change in the charity, in 2017/18 CLAPA's major aim was to improve its financial performance and consolidate service delivery. As a result, CLAPA took the opportunity to evaluate its services, improve community engagement and further develop its relationship with medical specialists. The charity has had a very successful year in many ways. Record numbers of people have accessed CLAPA's services, including online information services and local events, and this year saw the charity win awards for its impact. CLAPA's social media presence is now the second largest globally for a cleft support charity. CLAPA has also reached a long-term goal of creating a staff position in each region of the UK to support local activity, which is an essential step in giving everyone in the UK equal access to the charity's life-changing services.

Moving into 2018/19, CLAPA's primary aim is to become more efficient, financially sustainable, and open to a wider variety of people than before, with a particular focus on supporting the 70,000+ adults in the UK affected by cleft.

### Highlights for 2017/18 include:

#### UK-wide Services

##### **Impact Award Winners**

CLAPA won the **Charity Impact Awards** Health Category. This award recognised the charity's "stunning achievement of making a massive and sustainable difference to our world and the lives of people in it."

##### **Feeding service**

Many babies born with a cleft are unable to breastfeed or use regular feeding equipment. For 30 years, CLAPA's feeding service has provided special bottles and teats to new parents so they can feed their baby.

603 free Welcome Packs of special bottles and teats were sent to new families in 2017/18 – an increase of over 31% on the previous year. In total, over 15,000 special bottles and teats were sent from CLAPA's small office to families affected by cleft in 2017/18.

## The Cleft Lip and Palate Association

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#### Parent and Peer Support Service

The Parent and Peer Supporter Service has continued to grow; in 2017/18 it supported 87 people, and the process for applying for the NCVO APS Standard has begun.

#### Children and Young people

In summer 2017, CLAPA launched a new targeted service for under-18s born with a cleft: CLAPA Youth Forward. This quarterly newsletter is made up of submissions from the youth community, including stories, personal insights and lists of local events. This new community was part of CLAPA's work towards best practice under GDPR where under-18s are concerned, as it allows for greater oversight on the charity's part, and greater control for its members. Since its launch, 97 young people have signed up. CLAPA plans to promote it in Cleft Clinics and at events focused on young people in the future. Growing and developing this community is a vital part of CLAPA's drive to ensuring no one goes through their cleft journey alone.

#### Awareness-Raising

Presentations about CLAPA and cleft were delivered by staff and volunteers throughout Scotland to dentists, community groups, schools, and more. 92% of community dentists said the presentation had given them a greater knowledge of cleft and of the challenges people affected by cleft may experience. 85% reported they felt more confident offering support to patients born with a cleft who came to their practice.

#### England, Wales and Northern Ireland services

The aim of CLAPA's long-term Regional Coordinators Programme is to make a tangible, positive impact on the lives of people affected by cleft around the UK by generating local activity and empowering volunteers to support others. This independently-evaluated project has seen fantastic outcomes in regions where the charity has been able to secure funding, but this is not the case in other regions without local staff members working on the ground.

This is why, in 2017/18, CLAPA invested in the future and restructured the regional team to add four new part-time, home-based Engagement Officers to cover the four remaining regions. This meant that for the first time, everyone affected by cleft in the UK had a CLAPA staff member dedicated to supporting their local area

#### During 2017/18 in the 3 England Regions Supported by a CLAPA Regional Coordinator:

- 72 volunteers demonstrated **enhanced skills/knowledge** through volunteering with CLAPA
- 1,251 people attended a local group run by volunteers. These included Happy Faces Support Groups and annual events like Christmas Parties.
- 61 people received **one-to-one support** from a trained Parent or Peer Supporter



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- 100% of respondents questioned said meeting others at a Happy Faces Group has helped them to cope better with some of the issues and challenges they face related to cleft.
- 95% of respondents questioned agreed that using CLAPA's regional services made them feel more confident in supporting their own child with issues related to cleft.
- 97% of respondents questioned felt involved in a community of people affected by cleft after using CLAPA's regional services.

#### Scotland services

This project aimed to provide a local support service for people affected by cleft in Scotland, including parents/carers, patients, and adults who have left the treatment pathway. This saw a number of targeted events run across the country, such as family days out, adventure activities for young people, and engagement opportunities for patients. A Scottish version of CLAPA's successful Children & Young People's Council was set up. Volunteers have also been trained, and awareness-raising sessions were carried out at schools, community groups and with health professionals.

Independent evaluators reported on the success of this project in May 2018. Findings of this report include:

- 86% of young people attending CLAPA events reported increased confidence.
- Two thirds of young people attending CLAPA events learned new ways of coping with cleft-related issues in a positive way.
- 76.5% of young people attending CLAPA events felt able to support other young people born with a cleft.
- 77% of parents/carers attending CLAPA events reported increased confidence in supporting their child who was born with a cleft
- 85% of parents/carers attending CLAPA events reported feeling more confident in connecting with other people for support with cleft-related challenges

Awareness-raising presentations helped hundreds of people across Scotland learn about cleft. This included 13 community dentists, 92% of whom said they had greater knowledge of cleft, and a better awareness of the challenges individuals and families affected by cleft may experience. 85% reported they felt more confident offering support to people affected by cleft.

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#### During 2017/18 in Scotland:

- **Over 300 people** attended **at least one event** as part of the Regional Coordinators Project in Scotland.
- **80%** of under18s attending said they felt **more confident**, and **77%** said they'd **made new friends** who they could talk to about having a cleft.
- **90%** of parents said these events made them feel **part of a community** of people affected by cleft.

#### Other Achievements

##### Communications

Social media remains one of CLAPA's greatest tools as a charity. With over 13,000 'Likes' on Facebook, and around 12,000 people active in online support groups, CLAPA is now one of the largest support charities for cleft in the world. CLAPA's primary Twitter account grew to 3,200 followers, with an average reach of nearly 80,000 people each month. Given the demographics of CLAPA's community, social media remains a vital tool for people affected by cleft to share their stories, and for CLAPA as a charity to inspire, encourage and educate.

In addition to social media, this year saw an average of 10,632 unique visitors to CLAPA's website each month, including over 8,000 visits to the unique, community-focused information pages about cleft lip and palate. Monthly E-newsletters went out to over 10,000 people.

One key piece of communications work for 17/18 was preparing CLAPA for the General Data Protection Regulation (GDPR) deadline in May 2018. Key elements of this included:

- Updating Privacy Policy and Data Protection statements in line with best practice.
- Adding new procedures and tools to better capture granular consent.
- Updating the records management policy to include, amongst other things, a 'right to be forgotten', consent refreshing, and parental permissions.
- Updating the Data Protection Policy in line with best practice.
- Undertaking a full data audit, updating various policies in procedures in line with the findings, and purging old data as appropriate.

##### Fundraising activities

In 2017/18 the fundraising team welcomed a new Head of Fundraising and saw two other staff changes.

The year saw a number of fundraising highlights including:

- A successful Awareness Week, with a major event taking part at the Queen Elizabeth Olympic Park in London.

## The Cleft Lip and Palate Association

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#### For the year ended 31 March 2018

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- Retaining the “Charity of the Year” status for the UK division of Crown Worldwide.
- The addition of Facebook Giving and Amazon Smile as fundraising platforms.
- An extensive challenge events programme, involving nearly 300 participants including six runners in the London Marathon, and an entrant into the Marathon Des Sables – CLAPA’s biggest single Challenge Events fundraiser – who raised over £8k for his six day challenge.
- The addition of World Smile Day as a second fundraising focus day. This annual celebration on the first Friday of October aims to bring smiles to the world with acts of kindness, and CLAPA has used this day as an opportunity to celebrate smiles at all stages and promote fundraising.

## Beneficiaries and services

CLAPA exists to support anyone affected by cleft lip and/or palate in the United Kingdom. The charity’s resources and services support affected families from the moment of diagnosis and help them through any difficulties they have before and after the birth of their child. Welcoming new and expectant parents into the ‘CLAPA Community’ is the start of lifelong support of children born with a cleft and their families, from infancy through to adulthood.

CLAPA works closely with the nine specialist Cleft Teams in the UK as well as generic health professionals to ensure that people born with a cleft receive the best possible care.

### Services include:

- CLAPA Volunteer Groups– CLAPA’s local, volunteer–run Groups are central to involving and supporting people affected by cleft across the UK. They are a hub for local activity and organise events to bring their communities together.
- One–On–One Support – CLAPA has trained parent and adult volunteers to support others one–on–one, securely and confidentially.
- Patient Voices – Patient Voices Groups are people (current or previous patients and parents) who meet quarterly and are involved in discussions about the service provided by the Regional Cleft Teams
- Clinic Volunteers – Clinic volunteers commit to regularly attending their local cleft clinic and providing a source of information and support for patients and their families while they wait to be seen.
- Feeding Service – CLAPA is the sole provider of specialist bottles and teats for babies born with a cleft in the UK. Each year, as well as sending out around 600 free ‘Welcome Packs’ to UK families, CLAPA sells 13,000 items of subsidised feeding equipment to families and NHS Trusts.

## The Cleft Lip and Palate Association

### Trustees' annual report

#### For the year ended 31 March 2018

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- Children and Young People's Services – Services for under-18s aim to give them a safe space to share their experiences, find support and make friends. These include confidence-building Residential Weekends, a 'Youth Forward' quarterly newsletter written by and for young people, a Children & Young People's Council, and supported, moderated social network groups.
- Events and Activity Days – Whether these are organised by volunteer Events Groups or by CLAPA staff, these events are an opportunity for families and young people to get together, share experiences and have lots of fun.
- Adult Voices Council (changing to Adults Representation Committee) – Made up of adults born with a cleft, this group acts as the voice of other adults in the UK and provides valuable input into CLAPA's work to support this historically underrepresented group. This group is part of CLAPA's commitment to ensuring the charity's work is evidence-based and makes a real difference to the lives of people born with a cleft beyond childhood. 2018/19 will see the Adult Voices Council being reformed as the Adults Representation Committee (ARC) with new guiding documents and a more flexible structure to reflect the changing needs of the adults community.
- Publications & Information Leaflets – CLAPA publishes and distributes a number of booklets and leaflets that offer help and guidance. As a member of the NHS's Information Standard scheme, this information is created in consultation with the CLAPA Community at every step of the way, and complies with rigorous policies and procedures.
- Online Support Network – CLAPA supports and maintains a network of online support groups which have allowed around 12,000 people to connect with each other.
- Awareness Raising – We support a network volunteers who act as CLAPA ambassadors and raise of cleft within their local community, including amongst generic health professionals like dentists, and in schools and colleges.

## Financial review

Total income was £893,736 (2016/17: £671,889), up 33% on prior year. Expenses were £938,999 (2016/17: 822,472), up 14% on prior year. 2017/18 left CLAPA with a deficit of (£45,263) (2016/17: £150,583), however this was a 70% improvement to prior year. At 2017/18 year end CLAPA total reserves including restricted funding was £119,586 (2016/17: £164,849); this is equivalent to 1.53 months (2016/17: 2.44 months). The unrestricted reserves are (£24) which will be 0 months' reserves.

During 2017/18, there has been a push on income generation, although the impact of this has been largely out of CLAPA control with the charity sector going through a tough time

## The Cleft Lip and Palate Association

### Trustees' annual report

#### For the year ended 31 March 2018

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reputationally. Cashflow management has been tightly managed which has contributed to the current position.

The income was CLAPA's highest year; mostly due to the grants made available, and the Fundraising team broadening its approach with the focus and promotion of challenge events in the year. During the year CLAPA continued to use Restricted funds from Smile Train, Children in Need and the Big Lottery Fund and other funders to provide regional services. Expenses were higher due to changes in staff, their relational expenses, increased Feeding service stock and related postage costs, audit fees, fundraising merchandise and challenge events places and an investment in IT/Telephony systems.

In 2018/19 CLAPA focusses on streamlining the expense base and expanding other sources of income, and should see a surplus for the year, and hence some growth in our reserves position.

#### Approach to Fundraising

There is a huge overlap between CLAPA's beneficiaries and its supporter base. As such, CLAPA is strongly committed to transparent, ethical fundraising practices and to ensuring the trust that fundraisers and donors give to the charity is well-placed.

CLAPA relies on the generosity of the cleft community to raise funds to support its work. This ranges from individual donations or gifts in wills, to supporters taking on challenge events or holding small scale events themselves such as coffee mornings and bake sales. CLAPA also receive funding from grant-making trusts and foundations as well as support from a small number of companies.

CLAPA is committed to best practice in all areas of its fundraising activity. The charity is a member of both the Fundraising Regulator and the Institute of Fundraising.

As part of its membership of the Fundraising Regulator CLAPA is signed up to the Fundraising Promise which ensures that it is clear, honest, open, respectful, fair, responsible and accountable in its fundraising. The charity complies with the relevant areas of Fundraising Regulator Codes of Practice and has had no incidences of non-compliance with these Codes.

CLAPA has a robust complaints procedure in place which is easily accessible on its website and during the financial year 2017/18 there were no complaints about the charity's fundraising practice.

As part of CLAPA's commitment to ensuring that its fundraising practice is fair and respectful, the Fundraising Team regularly reviews the Fundraising Regulator guidance on treating donors fairly to ensure that its practice protects all groups of donors but in particular those who are vulnerable.

No third parties or professional fundraisers undertake fundraising activities on the charity's behalf as it does not undertake fundraising activities such as face to face or door to door fundraising.

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Where CLAPA works with commercial organisations or suppliers, for instance when the charity buys places for its supporters at third party running or cycling events, it has contracts in place which ensure compliance with the relevant legislation.

CLAPA takes data protection extremely seriously, and 2017/18 saw a great deal of work undertaken to bring its policies and procedures in line with GDPR. This included the formalisation of a number of informal policies around respecting the privacy and preferences of donors. As outlined above the charity does not currently use professional fundraising services, does not engage in telephone fundraising, and does not use wealth screening services. CLAPA sends out one postal appeal each year along with a magazine. Personal information is never shared, unless it is with the explicit permission of the data subject and where it is necessary to fulfil their instructions, i.e. providing information necessary to register a participant on to a third party event. The charity is registered with the Fundraising Preference Service and receives weekly suppression updates in addition to its own processes for updating communications preferences.

CLAPA is very grateful to all those who support the charity ensuring that it can continue to be here to support children, young people, adults and families affected by cleft.

#### Principal risks and uncertainties

The Trustees have approved a Risk Assessment for the charity, assessing the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. At each Board meeting they review a sample of the risk management policies and procedures produced by the charity.

CLAPA's risks arise from the current difficulties affecting charities of less than £1m, namely rising demand for services, increasing overhead costs, stagnating income and increased competition for grants. CLAPA's Trustees and staff are in a state of constant monitoring of the financial situation, as well as planning to reduce costs. Over 18/19 the charity will be undertaking a major restructure to reduce costs with an expectation that our reserves will be at an acceptable level, with budget surplus forecast by year end.

#### Reserves policy and going concern

Management are aware of the material uncertainty around the going concern position particularly the difficulties with fundraising ability and cashflow; and since highlighting the risks, CLAPA management have been working with the Board to implement a new strategy to turn around the status. These steps have included a recruitment freeze, restructure within senior management, reduction of services to regions and hence redundancies, and further streamlining of expenses. To increase income, the Fundraising teams have made several emergency appeals and are looking for funding towards more of our core services. Many of these changes have been made post year end, so the benefit from these steps will be seen in the future.

## **The Cleft Lip and Palate Association**

### **Trustees' annual report**

#### **For the year ended 31 March 2018**

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CLAPA strategy for the next 3 years is one of sustainability and growing other sources of income whilst maintaining as low an expense base as possible. This includes future scenario planning and having plans in place to react where necessary should income fall lower than expectations.

At 2017/18 year end CLAPA total reserves including restricted funding was £119,586; this is equivalent to 1.53 months. The unrestricted reserves are (£24) which will be 0 months' reserves. The Board are aware this is not an ideal position and it is well below policy of 3–6 months, hence the planning and close monitoring of the income and cash position.

These are under constant review with the Board and CLAPA management are confident that this is going in the right direction to bring reserves closer to policy levels within the 3 year strategy.

## **Plans for the future**

### **Young Peer Supporters**

In 2018, we will be investigating the feasibility of training Young Peer Supporters for under-18s born with a cleft. This service has been developed with the help of Clinical Psychologists with local Cleft Teams, and is fully supervised while still remaining private and confidential. It's vital that young people are able to express themselves and know they're understood, and these trained Young Peer Supporters have the potential to make a big difference in the lives of people using this service.

### **Adult Services Programme**

From March 2018–February 2021, CLAPA is undertaking an exciting new project looking at improving services for adults who were born with a cleft.

This is a three year project, funded in full by the VTCT Foundation, to research and understand the experiences, challenges and unmet needs of adults in the UK who were born with a cleft lip and/or palate (cleft). Following this, the Adult Services Coordinator (ASC), and CLAPA staff team will work to develop and implement services designed to address current unmet need and roll these out across the UK in the second and third years of the project. At the conclusion of the three years, should the project prove successful, funding would be sought to continue the delivery of the services.

### **Consolidation and Implementation of Branch Review**

Following consultation with CLAPA Branch members and volunteers, the charity has identified that the current Branch structure is no longer as effective as it once was. The rise of social media and networks provides opportunities for groups to be developed with less need for formal commitment and the associated administration required. As a result, volunteers in a region will now become part of a regional network consisting of a variety of volunteer roles and groups.

## **The Cleft Lip and Palate Association**

### **Trustees' annual report**

**For the year ended 31 March 2018**

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#### **40th Anniversary**

June 2019 will see CLAPA turn 40 years old. Plans are already well under way for a celebration event in collaboration with Portrait Positive. Fundraisers and volunteers will be encouraged to put on their own 'birthday party' style events to raise funds to ensure CLAPA can continue to support people affected by cleft and their families for many years to come.

## **Structure, governance and management**

The charity became a company limited by guarantee in 2005 and its governing documents are the Memorandum and Articles of Association. In 2009 the Trustees passed a resolution agreeing to change the Memorandum and Articles of Association so that CLAPA could be registered as a charity in Scotland (SC041034).

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 of the accounts.

### **Appointment of Trustees**

The Trustees hold full responsibility for the activities of the charity, and the power to appoint new Trustees lies with the Trustees in office at the time. The Trustee Board regularly reviews its membership to ensure that it has a balance of health professionals and people affected by cleft, and that it has the necessary skills to fulfil its duties.

Trustees are recruited through open competition. Role descriptions are advertised widely through the charity and volunteer press. Applicants are shortlisted and interviewed by a panel of existing Trustees. Once a suitable candidate is selected, an offer of appointment is made.

In March 2014 the Board agreed to introduce a maximum term of office of two terms of three years. If, during their second term a Trustee is appointed as Chair or Treasurer of CLAPA, they can remain a Trustee until they have served a maximum of three years in that office.

Each year the Trustees hold an 'Away Day' which includes the AGM. This is an opportunity for the Trustees and staff team to review the strategy and the activities of the last year and to start to plan for the next year. In September 2017 the Board heard presentations from the staff team on their activities and reviewed the strategy.

CLAPA's Community are invited to contribute to CLAPA's strategy through online surveys, direct communication, and the CLAPA Adult Voices Council and Children and Young People's Council (which both meet four times a year).

## **Related parties and relationships with other organisations**

CLAPA works with a wide variety of strategic partnerships with other charities and organisations to broaden its range of stakeholders and increase its impact.



## The Cleft Lip and Palate Association

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#### For the year ended 31 March 2018

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The partners include:

- Third sector partnership groups such as the Appearance Collective and the Shared Learning Group for Patient Involvement
- Health related collectives and organisations such as the National Council for Disabled Children, the Strategic Healthcare Alliance, the Royal College of Speech and Language Therapists.
- Related groups of SLUMBRS, Cleft Care UK, Cleft Collective, TOPS, and the Centre for Appearance Research.
- NHS/EU related groups such as Cleft Development Group (CDG), Clinical Research Group (CRG), and the European Cleft Care Guidelines project (CEN)
- Other charities, such as the Family Fund, Scar Free Foundation, CLEFT, Changing Faces, Katie Piper Foundation, Headlines and others.
- Commercial partners, such as Crown Worldwide, MAM, Central Medical, Handicraft and others

## Remuneration policy for key management personal

CLAPA's HR Committee is responsible for advising the Board of Trustees on the appropriate levels of pay for members of the Senior Management Team. When the budget for the financial year ahead is being drafted, the Chief Executive makes recommendations to the Chair of the HR Committee on any inflationary increases or salary changes. Any recommendations for salary increases are benchmarked against similar posts at similar sized organisations in the voluntary sector using published salary services and publically advertised positions. If a recommendation for an inflationary / cost of living increase is made, only staff who have been in post for 6 months or more at the start of the next financial year will be eligible for this increase. The Chief Executive's salary is set and reviewed by the Board of Trustees.

## Statement of responsibilities of the Trustees

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming

## The Cleft Lip and Palate Association

### Trustees' annual report

#### For the year ended 31 March 2018

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resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2018 was 10 (2017:9). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

## Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The annual report has been approved by the Trustees on 8<sup>th</sup> November 2018 and signed on their behalf by

Jas Bhachu  
Trustee

## Independent auditor's report

To the members of

The Cleft Lip and Palate Association

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### Opinion

We have audited the financial statements of Cleft Lip And Palate Association (the 'charitable company') for the year ended 31 March 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 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
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty related to going concern

We draw attention to note 1d in the financial statements, which indicates uncertainty relating to the charitable company's ability to raise sufficient funds to pay its obligations as they fall due and to the timing of cash flows. As stated in note 1d, these events or conditions, along with the other matters as set forth in note 1d, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for

## Independent auditor's report

To the members of

### The Cleft Lip and Palate Association

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the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

## Independent auditor's report

To the members of

### The Cleft Lip and Palate Association

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satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions

## Independent auditor's report

To the members of

**The Cleft Lip and Palate Association**

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are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Use of our report

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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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 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 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.

Noelia Serrano (Senior statutory auditor)

12 December 2018

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

The Cleft Lip and Palate Association

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2018

	Note	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
<b>Income from:</b>							
Donations and legacies	2	275,916	326,874	<b>602,790</b>	219,338	168,443	387,781
Charitable activities	3	114,919	–	<b>114,919</b>	82,474	–	82,474
Other trading activities	4	174,728	–	<b>174,728</b>	200,076	–	200,076
Investments		1,299	–	<b>1,299</b>	1,558	–	1,558
<b>Total income</b>		<b>566,862</b>	<b>326,874</b>	<b>893,736</b>	<b>503,446</b>	<b>168,443</b>	<b>671,889</b>
<b>Expenditure on:</b>							
Raising funds	5	318,174	–	<b>318,174</b>	185,549	9,581	195,130
Charitable activities	5	308,390	312,435	<b>620,825</b>	483,922	143,420	627,342
<b>Total expenditure</b>		<b>626,564</b>	<b>312,435</b>	<b>938,999</b>	<b>669,471</b>	<b>153,001</b>	<b>822,472</b>
<b>Net income / (expenditure) and net movement in funds</b>		<b>(59,702)</b>	<b>14,439</b>	<b>(45,263)</b>	<b>(166,025)</b>	<b>15,442</b>	<b>(150,583)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		82,899	81,950	<b>164,849</b>	248,924	66,508	315,432
<b>Total funds carried forward</b>		<b>23,197</b>	<b>96,389</b>	<b>119,586</b>	<b>82,899</b>	<b>81,950</b>	<b>164,849</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19a to the financial statements.

The Cleft Lip and Palate Association

Balance sheet

Company no. 05206298

As at 31 March 2018

	Note	£	2018 £	£	2017 £
<b>Fixed assets:</b>					
Tangible assets	13		<u>23,221</u>		<u>18,179</u>
			<b>23,221</b>		<b>18,179</b>
<b>Current assets:</b>					
Stock	14	21,812		21,528	
Debtors	15	44,301		33,528	
Cash at bank and in hand		122,410		122,843	
		<u>188,523</u>		<u>177,899</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	16	(92,158)		(31,229)	
<b>Net current assets</b>			<u><b>96,365</b></u>		<u>146,670</u>
<b>Total net assets</b>			<u><b>119,586</b></u>		<u><b>164,849</b></u>
<b>The funds of the charity:</b>					
Restricted income funds	19a		96,389		81,950
Unrestricted income funds:					
Designated funds		-		75,037	
General funds		23,197		7,862	
		<u></u>	<u>23,197</u>	<u></u>	<u>82,899</u>
<b>Total unrestricted funds</b>			<u><b>23,197</b></u>		<u>82,899</u>
<b>Total charity funds</b>			<u><b>119,586</b></u>		<u><b>164,849</b></u>

Approved by the trustees on 8 November 2018 and signed on their behalf by

Jas Bhachu  
Trustee



The Cleft Lip and Palate Association

Statement of cash flows

For the year ended 31 March 2018

	Note	2018		2017	
		£	£	£	£
Cash flows from operating activities	20				
Net cash provided by / (used in) operating activities			8,912		(189,958)
<b>Cash flows from investing activities:</b>					
Dividends, interest and rents from investments		1,299		1,558	
Proceeds from the sale of fixed assets		-		-	
Purchase of fixed assets		(10,644)		(8,229)	
Net cash provided by / (used in) investing activities			(9,345)		(6,671)
<b>Change in cash and cash equivalents in the year</b>			(433)		(196,629)
Cash and cash equivalents at the beginning of the year			122,843		319,472
<b>Cash and cash equivalents at the end of the year</b>			122,410		122,843

**1 Accounting policies**

**a) Statutory information**

The Cleft Lip and Palate Association is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is CLAPA, 332b Goswell Road, London, EC1V 7LQ.

**b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

Management are aware of the material uncertainty around the going concern position particularly the difficulties with fundraising ability and cashflow; and since highlighting the risks, CLAPA management have been working with the Board to implement a new strategy to turn around the status. Many of these changes have been made post year end, so the benefit from these steps will be seen in the future. Please see the Trustee Report for further detail.

**e) Income**

All incoming resources are included in the statement of financial activities when the charity becomes entitled to the income and the amounts can be measured reliably.

Donations are recognised upon receipt and income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Grant income is recognised upon receipt or, if earlier, at the time the charity becomes entitled to it.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**f) Interest receivable**

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

**g) Fund accounting**

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**1 Accounting policies (continued)**

**h) Expenditure and irrecoverable VAT**

Resources expended are recognised in the period to which they relate.

Direct charitable expenditure comprises all the expenditure relating to the activities carried out to achieve the charitable objectives.

Support costs are allocated in full to the single charitable activity of involving and supporting people affected by clefts and improving services.

Governance includes the costs of compliance with constitutional and statutory requirements. These costs have also been allocated in full to the single charitable activity.

Staff costs have been allocated on the basis of time spent.

**i) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**j) Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost less depreciation. Items costing less than £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost less estimated value of each asset over its expected useful life, as follows:

- Website development costs 33.33% straight line
- Fixtures, fittings & equipment 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**k) Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

**l) Debtors**

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

**m) Cash at bank and in hand**

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

**n) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Cleft Lip and Palate Association

Notes to the financial statements

For the year ended 31 March 2018

1 Accounting policies (continued)

o) Financial instruments

the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Gifts	275,916	–	275,916	181,246
Grants receivable	–	326,874	326,874	387,781
	<u>275,916</u>	<u>326,874</u>	<u>602,790</u>	<u>569,027</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Groups, Clubs, Other	16,666	–	16,666	5,971
Branches	10,660	–	10,660	9,775
Sub-total for Groups, Clubs, Other and Branches	<u>27,326</u>	<u>–</u>	<u>27,326</u>	<u>15,746</u>
Feeding Service	67,891	–	67,891	52,299
Other Merchandise/Literature sales	12,864	–	12,864	10,907
Postage	6,838	–	6,838	3,522
Sub-total for Feeding Service and other sales	<u>87,593</u>	<u>–</u>	<u>87,593</u>	<u>66,728</u>
Total income from charitable activities	<u>114,919</u>	<u>–</u>	<u>114,919</u>	<u>82,474</u>

4 Income from other trading activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Income from events	174,728	–	174,728	200,076
	<u>174,728</u>	<u>–</u>	<u>174,728</u>	<u>200,076</u>

The Cleft Lip and Palate Association

Notes to the financial statements

For the year ended 31 March 2018

5 Analysis of expenditure

	Raising funds £	Charitable activities £	Governance costs £	Support costs £	2018 Total £	2017 £	Total £
Staff costs (Note 9)	120,883	262,514	79,070	81,973	544,440		496,135
Depreciation				5,602	5,602		9,913
Feeding equipment	-	41,043	-	-	41,043		12,718
Outreach services	40,193	49,921			90,114		42,811
Meeting and conference costs	-	-	893	7,282	8,175		7,687
Information services	8,110	12,983			21,093		7,142
Other services	-	30,711	2,463		33,174		26,832
Office costs	-	-		135,878	135,878		176,006
Audit fees	-	-	13,479		13,479		8,100
Fundraising costs	46,001	-	-	-	46,001		35,128
	<u>215,187</u>	<u>397,172</u>	<u>95,905</u>	<u>230,735</u>	<u>938,999</u>		<u>822,472</u>
Support costs	72,749	157,986	-	(230,735)	-		
Governance costs	30,238	65,667	(95,905)	-	-		
<b>Total expenditure 2018</b>	<b><u>318,174</u></b>	<b><u>620,825</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>938,999</u></b>		<b><u>822,472</u></b>
Total expenditure 2017	<u>195,130</u>	<u>627,342</u>	<u>-</u>	<u>-</u>	<u>-</u>		

Of the total expenditure, £626,564 was unrestricted (2017: £669,471) and £312,435 was restricted (2017: £153,001).

**8 Net income / (expenditure) for the year**

This is stated after charging / (crediting):

	2018 £	2017 £
Depreciation	5,602	9,913
Loss or profit on disposal of fixed assets	-	-
Operating lease rentals:		
Property	27,451	27,451
Auditor's remuneration (excluding VAT):		
Audit	11,232	8,100
Other services	-	-
	<u>544,440</u>	<u>496,135</u>

**9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	481,491	449,746
Social security costs	37,201	43,170
Employer's contribution to defined contribution pension schemes	25,172	3,219
Operating costs of defined benefit pension schemes	576	-
	<u>544,440</u>	<u>496,135</u>

One employee earned between £60,000 and £70,000 during the year (2017: nil).

The charity's key management personnel comprises of the Board of Trustees and the Senior Management Team.

Included within the Senior Management Team are the following: Chief Executive, Communications and Information Manager, Finance and Administration Manager, Deputy CEO and Head of Fundraising.

Total remuneration (Salary, NI, Allowances, Pension) paid to the Senior Management Team in the year amounted to £229,092 (2017: £188,449).

None of the Trustees received any remuneration in the year.

None of the Trustees (or any persons connected with them) received any remuneration during the year. 2 trustees (2017: 3 trustees) were reimbursed travel expenses of £406 in total (2017: £385).

**10 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 23 (2017: 17).

	2018 No.	2017 No.
Raising funds	5.0	4.0
Sale of feeding equipment	2.0	1.0
Support	13.0	10.0
Administrative	3.0	2.0
	<u>23.0</u>	<u>17.0</u>

**11 Related party transactions**

There are no related party transactions to disclose for 2018 (2017: none).

**12 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**13 Tangible fixed assets**

	Fixtures and fittings £	Website development £	Total £
<b>Cost or valuation</b>			
At the start of the year	28,157	15,618	43,775
Additions in year	2,036	8,608	10,644
At the end of the year	<u>30,193</u>	<u>24,226</u>	<u>54,419</u>
<b>Depreciation</b>			
At the start of the year	15,697	9,899	25,596
Charge for the year	4,815	788	5,602
At the end of the year	<u>20,512</u>	<u>10,687</u>	<u>31,198</u>
<b>Net book value</b>			
<b>At the end of the year</b>	<u>9,681</u>	<u>13,540</u>	<u>23,221</u>
At the start of the year	<u>12,460</u>	<u>5,719</u>	<u>18,179</u>

All of the above assets are used for charitable purposes.

**14 Stock**

	2018 £	2017 £
Finished goods	21,812	21,528
	<u>21,812</u>	<u>21,528</u>

**15 Debtors**

	2018 £	2017 £
Trade debtors	5,558	7,541
Other debtors	30,999	20,628
Prepayments	7,745	5,359
	<u>44,301</u>	<u>33,528</u>

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 20 below.

**16 Creditors: amounts falling due within one year**

	2018 £	2017 £
Trade creditors	32,809	14,900
Taxation and social security	12,488	–
Other creditors	36,860	–
Accruals	10,000	16,329
	<u>92,158</u>	<u>31,229</u>

**17 Pension scheme**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £14,413 to CLAPA scheme, £7,061 to private (2017: £3,219).

**18a Analysis of net assets between funds (current year)**

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	23,221	–	–	23,221
Net current assets	(24)	–	96,389	96,365
<b>Net assets at 31 March 2018</b>	<u>23,197</u>	<u>–</u>	<u>96,389</u>	<u>119,586</u>

**18b Analysis of net assets between funds (prior year)**

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	18,179	–	–	18,179
Net current assets	(10,317)	75,037	81,950	146,670
<b>Net assets at 31 March 2017</b>	<u>7,862</u>	<u>75,037</u>	<u>81,950</u>	<u>164,849</u>



The Cleft Lip and Palate Association

Notes to the financial statements

For the year ended 31 March 2018

19a Movements in funds (current year)

	At 1 April 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2018 £
<b>Restricted funds:</b>					
The James McGowan Scholarship Fund	6,823	-	(60)	-	6,763
Scottish Government Health & Social Care Directorate (Section 168)	3,662	-	(58)	-	3,604
Rathbones	-	5,000	(4,142)	-	858
Glasgow Children's Hospital Charity (prev. Yorkhill Children's Charity)	10,003	-	(3,779)	-	6,224
The Robertson Trust	9,585	10,000	(7,438)	-	12,147
The Sick Kids Friends Foundation	6,714	-	(3,779)	-	2,935
The Big Lottery Fund's Investing in Communities Scotland Programme	19,209	72,130	(87,009)	-	4,330
The Big Lottery Fund's Reaching Communities England Programme	-	123,740	(123,740)	-	-
Sussex Freemasons	-	3,000	(2,728)	-	272
BBC Children in Need	-	938	(938)	-	-
Award for All	-	8,297	(5,470)	-	2,827
Roger and Douglas Turner	-	2,000	(2,000)	-	-
Eveson	-	3,000	(3,000)	-	-
Smile Train	13,022	19,825	(20,014)	-	12,833
BBC Children in Need	10,797	15,390	(29,100)	-	(2,913)
Reuben	-	250	(79)	-	171
Other Restricted Funds	2,135	-	-	-	2,135
VTCT	-	63,304	(19,103)	-	44,201
<b>Total restricted funds</b>	<b>81,950</b>	<b>326,874</b>	<b>(312,435)</b>	<b>-</b>	<b>96,389</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Regional fund	75,037	-	(46,548)	(28,489)	-
<b>Total designated funds</b>	<b>75,037</b>	<b>-</b>	<b>(46,548)</b>	<b>(28,489)</b>	<b>-</b>
<b>General funds</b>	<b>7,862</b>	<b>566,862</b>	<b>(580,015)</b>	<b>28,489</b>	<b>23,197</b>
<b>Total unrestricted funds</b>	<b>82,899</b>	<b>566,862</b>	<b>(626,563)</b>	<b>-</b>	<b>23,197</b>
<b>Total funds</b>	<b>164,849</b>	<b>893,736</b>	<b>(938,998)</b>	<b>-</b>	<b>119,586</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

The Cleft Lip and Palate Association

Notes to the financial statements

For the year ended 31 March 2018

19b Movements in funds (prior year)

	At 31 March 2016 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2017 £
<b>Restricted funds:</b>					
The James McGowan Scholarship Fund	6,823	-	-	-	6,823
Scottish Government Health & Social Care Directorate (Section 168)	4,822	7,500	(8,660)	-	3,662
The Hugh Fraser Foundation Glasgow Children's Hospital Charity (prev. Yorkhill Children's Charity)	1,334	-	(1,334)	-	-
The Robertson Trust	10,191	-	(188)	-	10,003
The Sick Kids Friends Foundation	-	10,000	(415)	-	9,585
The Big Lottery Fund's Reaching Communities England Programme	8,153	-	(1,439)	-	6,714
BBC Children in Need	-	41,914	(41,914)	-	-
Smile Train	-	21,868	(11,071)	-	10,797
The Big Lottery Fund's Investing in Communities Scotland Programme	-	17,207	(4,185)	-	13,022
Other Restricted Funds	33,050	69,954	(83,795)	-	19,209
	2,135	-	-	-	2,135
<b>Total restricted funds</b>	<b>66,508</b>	<b>168,443</b>	<b>(153,001)</b>	<b>-</b>	<b>81,950</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Regional fund	75,175	35,023	(35,161)	-	75,037
Regional coordinator fund	25,479	-	(25,479)	-	-
<b>Total designated funds</b>	<b>100,654</b>	<b>35,023</b>	<b>(60,640)</b>	<b>-</b>	<b>75,037</b>
<b>General funds</b>	<b>148,270</b>	<b>468,423</b>	<b>(608,831)</b>	<b>-</b>	<b>7,862</b>
<b>Total unrestricted funds</b>	<b>248,924</b>	<b>503,446</b>	<b>(669,471)</b>	<b>-</b>	<b>82,899</b>
<b>Total funds</b>	<b>315,432</b>	<b>671,889</b>	<b>(822,472)</b>	<b>-</b>	<b>164,849</b>

Purposes of restricted funds

**The James McGowan Scholarship Fund**

The fund was established by CLAPA at the wish of the family and friends of James, who died suddenly in 2007. CLAPA administers the fund on behalf of the scholarship committee, which gives awards for the purpose of striving for excellence in the care of patients born with cleft lip and palate in Northern Ireland, but has no control over it's spend.

**Movements in funds (continued)**

**Purposes of restricted funds**

**Scotland Regional Coordinators Project**

This project does not align to our financial year and is due to complete in August 2018. The underspend will be utilised by then. It is made up of the following providers;

Scottish Government Health & Social Care Directorate (Section 16b) – gave a 3-year grant towards our activities in Scotland and a 1-year grant for services for children and young people in Scotland.

Rathbones – gave a grant towards our activities in Scotland.

Glasgow Children Hospital Charities (previously Yorkhill Children's Charity) – gave a 3-year grant towards our activities in West Scotland.

The Robertson Trust – gave a 3-year grant towards our activities in West Scotland.

The Sick Kids Friends Foundation – gave a 3-year grants towards our activities in East Scotland.

The Big Lottery Fund – a 3-year grant under their Investing in Communities programme.

**England Regional Coordinators Project**

This project has a slight underspend due to a gap in a Regional Coordinator post and evaluation spends starting later than planned.

It is made up of the following providers;

The Big Lottery Fund – gave a 4-year grant under their Reaching Communities programme for our Regional Coordinators Project in the East, South East, and Central regions of England.

Sussex Freemasons – gave a grant for our activities in England.

BBC Children in Need – gave a grant for our Childrens and Young People's services in England.

Award For All – gave a grant for our activities in England.

Roger and Douglas Turner – gave a grant for our activities in England.

Eveson – gave a grant for our activities in England.

Smile Train – gave a grant for our activities in England.

**BBC Children In Need**

This project is to cover our Children and Young People's Services (CYPA). It is made up of the following providers;

BBC Children In Need – gave a 2-year towards our CYPA.

Reuben Foundation – gave a grant for our CYPA.

**Other restricted funds**

This includes income from the Tay Charitable Trust, Sir John Middlemore Charitable Trust for current year.

**VTCT Restricted Fund**

This is a 3 year grant towards a research project for Adult services in the U.K. The project years are not aligned with the financial years hence the underspend.

**Purposes of designated funds**

Regional Fund: An amount had been designated to fund regional activities. This money has been released into general funds in 2017/18.

Regional Coordinator Fund: An amount has been designated to support the development of the Regional Coordinator project and in particular to support funding applications for the Regional Coordinator posts.

20 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2018 £	2017 £
<b>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(45,263)</b>	<b>(150,583)</b>
Depreciation charges	5,602	9,913
Dividends, interest and rent from investments	(1,299)	(1,558)
(Increase)/decrease in stocks	(284)	(13,120)
(Increase)/decrease in debtors	(10,907)	(9,101)
Increase/(decrease) in creditors	61,063	(25,509)
<b>Net cash provided by / (used in) operating activities</b>	<b>8,912</b>	<b>(189,958)</b>

21 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2018 £	2017 £
Less than one year	35,075	33,075
One to five years	11,692	44,100
	<b>46,767</b>	<b>77,175</b>

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.