

Martin House (Limited by Guarantee)

Trustees' report and financial statements

Company registered number 2016332

Charity registration number 517919

30 April 2015

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Trustees' Report

The Trustees, who act as Directors for the purposes of company law, present their annual report and the audited financial statements for the year ended 30th April 2015.

OBJECTIVES AND ACTIVITIES

Objectives

The **mission** of Martin House is to help children and young people with a life-limiting condition, along with their families, to live well and fully and offer the best possible end of life care and support to the family in bereavement.

Our **vision** is that every child and young person has access to palliative care when and where they need it.

Our core **values**, which guide all we do, are:

- being child and family focused
- listening to and valuing each other
- delivering high standards in everything we do
- being flexible, responsive, open and honest
- working holistically and in collaboration with others
- being dedicated, compassionate and caring

All our services are free of charge to the families we care for. The Charity Commission's general guidance on public benefit is taken into consideration in all our reviews and plans.

Strategic Aims

During 2014/15 we undertook an extensive strategic review involving trustees, staff, young people and families, volunteers, bereaved parents and partner organisations. A wide range of consultation and engagement methods were used to ensure we got the widest possible participation and input and the process was led by a steering group comprising a cross-section of staff and trustees from Martin House. We also drew on the latest research, guidance and policy documents available, including the findings from the Commission into the Future of Hospice Care (Hospice UK, 2013) and a two-year regional evaluation of children's palliative care and support in Yorkshire, commissioned by Martin House (published April 2014).

The outcome of this strategic review was our Strategic Plan 2015-18, which we published at the beginning of 2015. This sets out our strategic objectives and priority activities for the next 3 years and is available to view on our website at www.martinhouse.org.uk.

Our key strategic aims are to:

- deliver and enable the highest quality palliative care that meets the needs of all children and young people and their families in Yorkshire and the Humber;
- recruit, support and develop a workforce that has the capacity, skills and values to deliver the Martin House mission and vision;
- ensure we have the resources we need to deliver our vision and mission and operate efficiently;
- ensure high quality and effective ways of working in line with our values;

- deliver, support and promote education, research, awareness raising and innovation to enable the development of children's and young people's palliative care.

Our achievements and performance against our 2014-15 objectives are set out in the Strategic Report, below.

Activities

To achieve our objectives, we deliver high-quality, holistic and specialist palliative care services for children and young people with life-limiting conditions, and their families, from diagnosis to death and beyond. These include:

- planned or respite care
- symptom management
- emergency care
- end of life care
- community care (in the home and other settings)
- bereavement care
- psychological care and emotional support
- a programme of clinical research and education

Most of these services are delivered from a purpose-built hospice set in six acres of beautiful grounds in Boston Spa, near Wetherby in West Yorkshire. The hospice, the second children's hospice in the UK at the time, was opened in 1987. Since then, it has developed continuously in order to meet the changing needs and expectations of the children, young people and their families who use our services.

The hospice has 9 beds in the House, which cares for the younger children, and 6 beds in Whitby Lodge, which cares for teenagers (from age 13) and young adults up to age 30 (and occasionally beyond). This was the first purpose-built teenage and young adult unit in the UK (possibly the world) when it was built in 2002. In addition, there are 9 family bedrooms where parents and siblings can stay and 3 'little rooms' (cold bedrooms) where children and young people can stay after death until their funeral.

Other facilities include a chapel, hydrotherapy hot tub, sensory room, Lodge recreation centre (the Den), recording studio, art room, music room, chapel, education/seminar room and outdoor play areas.

Children and young people can be referred, or self-refer, to Martin House at any point from diagnosis, between the ages of 0-19, if they have a life-limiting condition and live in east, north or west Yorkshire and the Humber. Children's palliative care encompasses the whole family and continues throughout the life of the child or young person, and beyond for their family.

STRATEGIC REPORT

Achievements and Performance

Palliative Care

As at 30 April 2015, we were actively caring for 326 children and young people and their families. In addition, we provided bereavement support to an additional 101 families.

During the period, we:

- received 90 new referrals, of which 79 were accepted;
- delivered 3,267 nights' of care for life-limited children and young people in the hospice (1,852 in Martin House and 1,415 in Whitby Lodge);
- provided 2,061 overnight stays for parents, 1,134 overnight stays for siblings and 280 overnight stays for others of life-limited children and young people;
- delivered 560 episodes (2,264 hours) of care at home and bereavement support;
- provided 249 episodes (368 hours) of psychological care to children and families; and
- delivered 104 episodes (407 hours) of care in other settings.

Sadly, 68 of the children and young people we were caring for died during 2014/15. Of these, 16 died at Martin House, 12 died at home, 38 died in hospital, 1 died whilst being transferred and 1 died in Forget Me Not hospice.

We take referrals from east, north and west Yorkshire and the Humber. Diagram 1 shows where the children and young people we are caring for live, by local authority district:

Diagram 1: Breakdown by local authority district, as at 30 April 2015

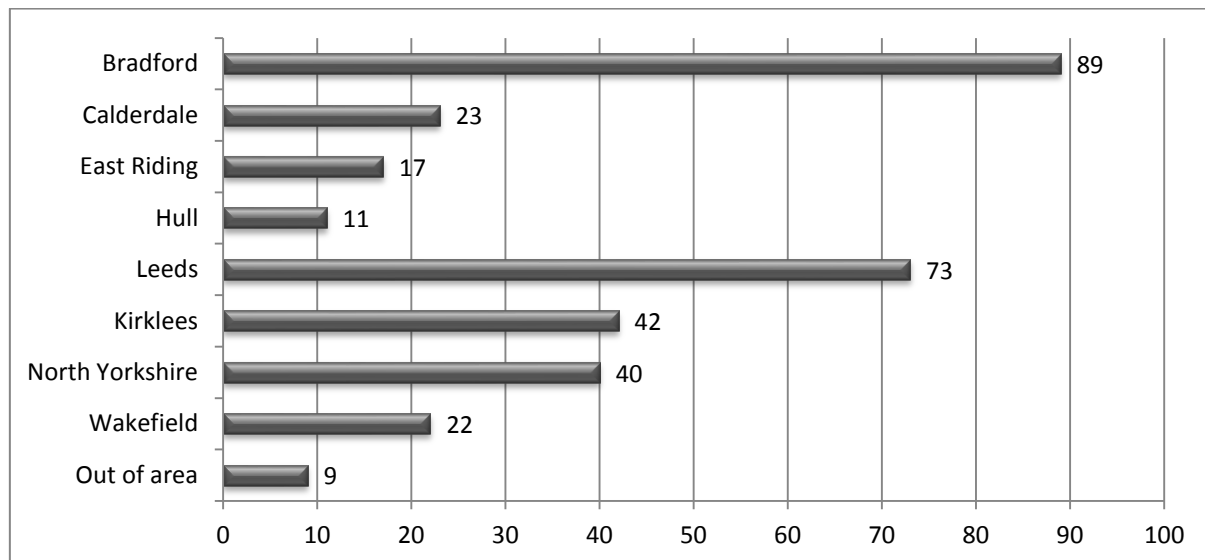


Diagram 2 shows the age of the children and young people we are actively caring for, as at 30 April 2015, and diagram 3 the breakdown by age at referral.

Diagram 2: Breakdown by age, as at 30 April 2015

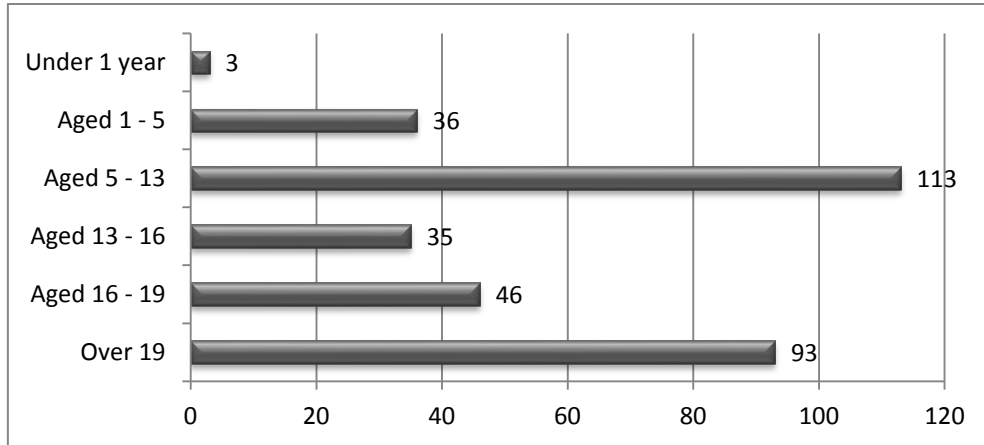
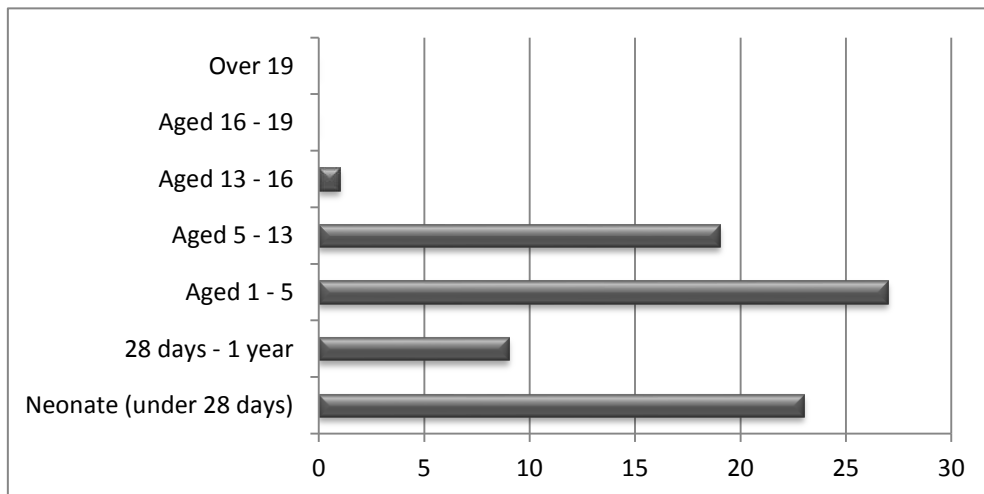


Diagram 3: Breakdown by age at referral during the period 1 May 2014 – 30 April 2015

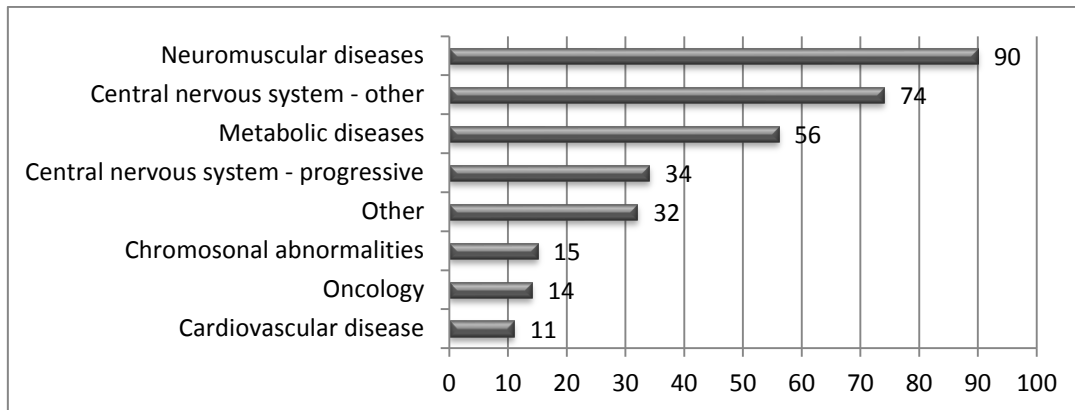


For some children and families their relationship with Martin House before their child dies is sadly very short. This occurs frequently in those who are referred in the antenatal, neonatal period and those who are under the age of one.

This is indicated in the graphs above. On any single day the numbers in this age range are small but the number of referrals in a year is much greater. These children often die in the same year they are referred.

Diagram 4, below, shows the breakdown by diagnostic group:

Diagram 4: Breakdown by diagnostic group, as at 30 April 2015



Occupancy

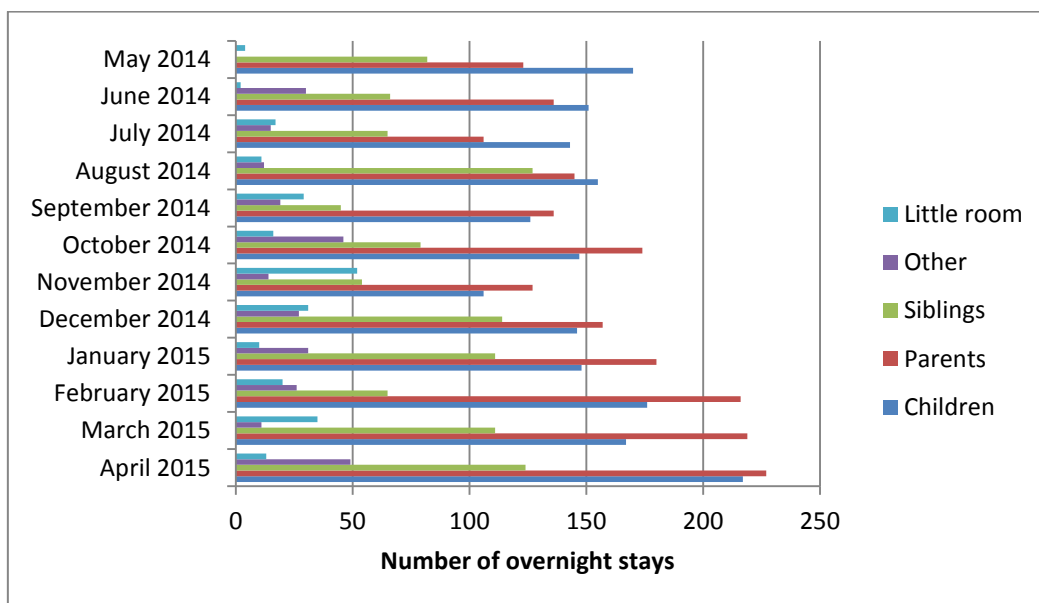
Of our 15 beds, 12 are used for planned stays and 3 are retained for emergency stays (2 in the House and 1 in Whitby Lodge). A recent audit of room occupancy, which took place over a 12-week period during February to May 2015, showed average occupancy as:

- in the House: 70% of total beds and 90% of planned beds; and
- in Whitby Lodge: 74% of total beds and 89% of planned beds.

For the hospice as a whole, this equates to 72% of total beds and 90% of planned beds. This is above average occupancy across all children's hospices in the UK¹ [60% and 80% respectively].

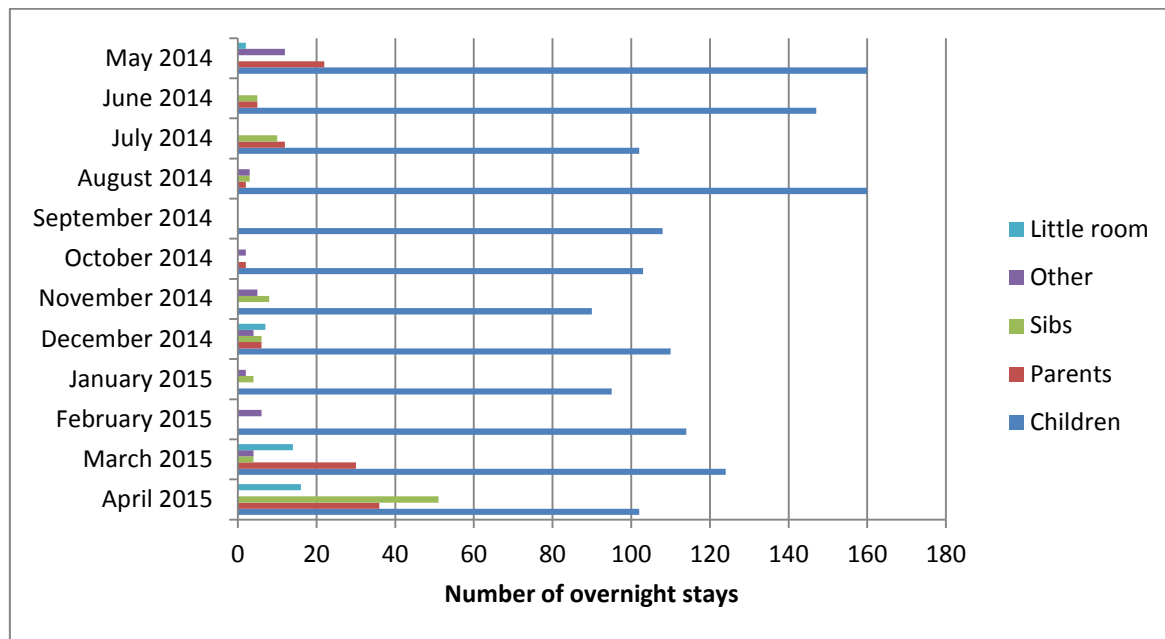
Diagrams 5 and 6, below, show the number of stay nights at the hospice by child or family member, demonstrating the different profiles between the House and Whitby Lodge.

Diagram 5: Number of stay nights in the House from 1 May 2014 – 30 April 2015



¹ Children's Hospice Financial Benchmarking Survey Report 2014 - Together for Short Lives, April 2015
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Diagram 6: Number of stay nights in the Lodge from 1 May 2014 – 30 April 2015



Our Care Team

Our care team includes a number of highly skilled and specialist staff, including Paediatric Palliative Care Consultants, specialty doctors, a Consultant Clinical Psychologist, children’s nurses, learning disability nurses, physiotherapists, social workers, occupational therapists, music therapists, artists, chaplain and bereavement support workers. This means we are able to provide 24/7 care for children and young people with complex needs requiring high levels of specialist medical and nursing support. We do this whilst still maintaining a homely, comfortable atmosphere where children, young people and their families can relax, engage in a wide range of activities (or not, as they choose) and have fun.

In addition to providing support to life-limited children, young people and their families throughout Yorkshire, our Consultants in Paediatric Palliative Care also provide support and advice to other health and social professionals who are involved with children and young people who have palliative and complex care needs. Dr Mike Miller, who was the Consultant at Martin House for over 10 years, retired at the end of March 2015. He was widely recognised and thanked for having made a substantial and much-valued contribution to the specialty of paediatric palliative care and to the lives of hundreds of children, young people and their families throughout Yorkshire, during his time with us.

In his place, we have been fortunate to appoint two part-time Locum Consultants. Substantive appointments will be made to these positions later in 2015.

In addition to delivering one-to-one bereavement support, our chaplain and bereavement team continued to run a range of groups offering support to families living with a child or young person with a life-limiting condition and after a child has died. These include a parents’ group, a grandparents’ group, an Asian mothers’ group and a number of siblings’ groups, both for those living with a life-limited brother or sister, and following bereavement. Other activities, which offered emotional support and time for reflection, included the Light up a Life Service and our annual Remembrance Day, both of which were well supported.

Our Consultant Clinical Psychologist provides psychological care to children and their families and support, training and supervision to the care team in the development of psychological and emotional aspects of their work and specialist advice to professionals in the wider region.

During this period, we took the decision to extend our bereavement services so we can also offer bereavement counselling and support to the families of life-limited children who are not in the care of Martin House. An additional bereavement support worker was recruited in June 2015 to deliver this additional service.

We have also undertaken some special, one-off projects during the year as part of our support and care for families. For a second year, these have included an initiative with Northern Ballet, supported by The Prince's Foundation for Children and the Arts, known as the START Hospices Programme. This aims to give children and families the chance to have fun together, away from the demands of daily life, and enjoy a quality arts activity to which they may not usually have access. The wonderful sessions last autumn, led by Northern Ballet's Education Team, gave families the chance to explore ballet and photography. They also enabled families to create some wonderful memories with their children.

Collaboration and Networking

Martin House is very committed to working collaboratively and in partnership with others to support the needs of children, young people and their families and the development of children's palliative care and we do that in a range of ways.

We are active members of the Yorkshire and Humber Children and Young People's Palliative Care Network. During 2014/15, we led a restructuring of the Network to support its future development and are actively involved in the three sub-groups: clinical; research; workforce and education.

Martin House also commissioned a report on the provision of specialist paediatric palliative care in the region on behalf of the Network, finalised in March 2015, which made a number of recommendations regarding the future delivery of specialist paediatric palliative care. These are now being taken forward by the Network.

Martin House is an active member of national networks Together for Short Lives and Hospice UK and contributes to a number of other regional hospice networks, both clinical and non-clinical.

In response to growing awareness of the unmet needs of young adults with life-limiting conditions, during transition from children's to adults' services and beyond, we are leading the development of a Yorkshire and Humber Regional Action Group on transition to explore what these needs are, and how we might work in a more integrated and collaborative way to respond to them. This is being done under the auspices of the national Transition Taskforce, led by Together for Short Lives.

Education

As part of our commitment to developing the specialty of paediatric palliative medicine, we have continued to support a trainee paediatrician based at Martin House studying for the Diploma in Paediatric Palliative Medicine. We also accommodate medical, nursing and allied health student placements and run regular workshops for professionals involved in the care of children and young people with a life-limiting condition.

We contribute to university-based education in a number of ways. Our consultant paediatricians deliver training at the University of Leeds, where our Consultant Clinical Psychologist holds an Honorary Senior Lecturer post. One of our Deputy Directors of Care has recently commenced a Senior Lecturer secondment at the University of York, lecturing in non-medical prescribing and advanced nursing practice.

Over the last year, we have sought to modernise our in-house education programme, keen to bring greater integration between care provision, education and development. We have developed a generic induction programme for all care staff, based on the national Care Certificate. We have introduced a role-specific development framework for the Team, enabling staff to demonstrate their personal development and progression, supported by a catalogue of clinical competencies. These documents are deeply embedded in reflective practice and acknowledge the new revalidation requirements of the Nursing and Midwifery Council, which apply to all registered nurses on the team.

Staff have attended a variety of learning events, including networks, conferences, and study days, focusing on a broad range of hospice and palliative care subjects, including neonatal care, bereavement, music therapy and end of life care planning. We have staff completing a variety of post-registration, post-graduate studies including postgraduate diplomas, Masters-level modules and doctoral studies.

We have appointed a second practice educator and committed to developing our contribution to palliative care education outside of Martin House, building relationships with stakeholders including neighbouring hospices, community teams and other NHS provider organisation, and universities throughout the region. We have instigated a much stronger partnership with the other children's hospices in Yorkshire, focusing on in-house education with plans to develop shared learning and training opportunities on a regular basis across our organisations.

We have continued to support the exchange of good practice internationally this year, for example, by receiving visiting health professionals from Singapore, Argentina, and India; delivering education in Ireland; contributing to a publication on children's palliative care in India; and supporting the development of children's palliative care resources in Singapore.

Organisational Development

In addition to our extensive clinical education programmes, we delivered a programme of mandatory training across the organisation, including fire safety, health and safety, safeguarding of children and vulnerable adults, moving and handling and information governance. All staff underwent an annual appraisal and a wide range of non-clinical learning and development opportunities were taken up, in support of staff members' personal development plans. We also commissioned an extensive, bespoke management and leadership development programme for the organisation, which will be delivered later in 2015.

During the year, the management structures were revised in order to strengthen collective decision-making. The Strategic Management Team was expanded to include the Chief Executive, Director of Clinical Services, Medical Director, Finance Manager, HR Manager, Facilities and IT Manager and Head of Fundraising. The terms of reference were wholly revised to reflect a more strategic approach. The Clinical Leadership Team was also revised and new terms of reference developed.

We undertook the Birdsong staff survey for the first time, which is widely used amongst hospices. This highlighted a number of strengths and also some issues for us to address with the staff team, including internal communications, management and leadership, staffing levels on the care team and pay structures. All these are being addressed through an action plan. In 2015, we will carry out an organisational culture survey, to complement the staff survey, and the staff survey will be repeated in 2016.

We established a staff forum and a volunteer forum during the year, to help engage staff and volunteers in developments and decision-making and to support good communications.

We also ran a Board development programme, using external consultants to facilitate and challenge the Board. This will continue on an ongoing basis.

Research

The research aim of Martin House is to identify and undertake research which provides evidence to enhance the delivery of palliative care both within Martin House and across the wider sector that provides services to children and families in which there is a child or young person with palliative care needs.

Specifically this entails:

1. Martin House being a research active organisation;
2. contributing to the national and international research and information base around palliative care;
3. developing and maintaining strong collaborative links with the wider academic and palliative care communities;
4. the identification and support of appropriate areas of research; and
5. Martin House developing research awareness and capability within its staff; to inform, where appropriate, the strategic development of Martin House.

As a research-active organisation Martin House has a long-standing commitment to funding and carrying out research that supports the development of children and young people's palliative care.

During this period, we have continued to contribute to the funding of a programme of innovative work in the field of paediatric palliative care, led by Dr Lorna Fraser at the University of York. In particular we have funded a researcher, Dr Stuart Jarvis, to work with Dr Fraser. This research links Martin House with the Department of Health Sciences (University of York) and the Paediatric Epidemiology Group (University of Leeds), which has continued to gather and analyse information on paediatric palliative care both in Yorkshire and nationally. The findings have been presented at a number of conferences and workshops, published in scientific papers and quoted in policy documents, including the Care Quality Commission Report, 'From the pond to the Sea: children's transition to adult health services'. The group had made an application for data to look at survival in children with life limiting conditions and six grant applications have been made for further funding.

This year, we have also established, for the first time, a Martin House PhD Studentship in children's palliative care. Debbie Box was appointed and started in January 2015. Her doctorate will be looking at the issue of advanced care plans, including their use with ethnic minority groups.

Dr Jan Aldridge is the research lead at Martin House. She is a member of the research group for the Yorkshire and Humber Children and Young People's Palliative Care Network, the national research committee hosted jointly by Together for Short Lives and the Association of Paediatric Palliative Medicine and also the elected representative for Western Europe on the ICPCN's Scientific committee.

Our research strategy and programme of work is overseen by the Research Committee that comprises trustees plus a number of distinguished external members from the Universities of York and Leeds.

Facilities and IT

During the year, we have undertaken a number of developments to our facilities and IT infrastructure and systems.

The Den, our new, high-tech recreation centre for teenagers and young adults in Whitby Lodge, was completed in June 2014 and officially opened in September. The Den contains a cinema, high-tech dance floor, electronic games and equipment, all of which can be controlled by the young people who use it. Feedback since its opening has been very positive.

We also built a new entrance and stairs to our fundraising department, including a lift, which gives disabled access to our first floor offices and family bedrooms for the first time. The new stairs mean that families and visitors to fundraising now have separate entrances, which gives our families greater privacy.

We have begun drawing up plans for the complete refurbishment and upgrade of our outdoor play facilities, in our lovely gardens. This project is expected to start in the summer of 2015 and be delivered in a number of phases over 2015/16.

We have strengthened our IT team through the appointment of an IT Training and Support Assistant and an IT Administrator. We have also made a number of improvements to our IT infrastructure, including the introduction of a new CRM database, a new facilities management system, development of an intranet and continued implementation of our document management system. In addition, we have embarked on the development of a new clinical information system and installation of a new Wi-Fi system across the hospice. This will improve communications for staff, families and children. The implementation of some of these projects will continue over the next couple of years.

We have appointed a paid gardener for the first time who, with our team of volunteers, will ensure that we make best use of our 6 acres of land and support the maintenance team.

Fundraising

Our small but energetic and highly effective fundraising team has, again, been very successful in generating the resources needed to continue to deliver our services. They raised £4,172,263 (£3,368,472 net) through a wide range of fundraising events and activities, which are also highly successful in raising the profile of Martin House throughout the region. They have continued to innovate and develop new ideas, in addition to maintaining existing income streams.

New events this year included our first Colour Run, which we ran in partnership with St. Leonard's hospice, and which will become a continuing feature. Repeat events included a wide range of running events (attracting over 2,000 runners in total for Martin House), 'Strictly Get Dancing', Dragon Boat Racing and our 'Centre Stage' battle of the bands, which also won the Hospice UK award for Innovation in Income Generation in 2014.

Our community fundraisers continued to support 12 Friends' Groups, which operate throughout the region, plus a huge number of other community initiatives. They also continued to drive our hugely successful 'Good Night's Sleep Appeal' which we ran in partnership with BBC Radio York from September 2013 to September 2014. Not only did this raise over £230,000 to support our work across North Yorkshire, it also raised our profile significantly across this area and helped to bring together our communications, fundraising, care teams and families in a very positive partnership. We will continue to feel the benefits of this campaign for many years' to come.

Our corporate fundraising team has had a very successful year. A significant new development was the establishment of the Martin House Business Club, which has over 50 members at the end of its first year. The Business Club provides a way especially for small and medium-sized companies to show their support for Martin House and at the same time enhance their own business offering. Some of our bigger corporate partners this year included First Direct, Asda, Yorkshire County Cricket Club, Lloyds Banking Group, Miller Homes, Towers Watson, Broker Network Ltd, Associated Weavers, UK Asset Resolution, Faithful and Gould, Linley and Simpson and Redrow Homes.

The lottery has maintained a consistent membership of around 2,500 players each week and met our financial target. We are now actively considering alternative approaches for our lottery to create the opportunity for income growth in this area.

Retail

Our retail operations have continued to grow this year in line with our retail strategy, with a new shop opening in Wetherby, taking our total number of shops to 9 at 30 April 2015. We are also in the process of opening a 10th shop in Harrogate. In addition, we have acquired a new warehouse/furniture facility close to the hospice in Thorp Arch, which will enable us to continue to expand our retail activity.

To support this growth we have recruited an Assistant Retail Manager during the year and are in the process of recruiting paid warehouse managers/drivers for the first time. Up to this point, all our drivers have been volunteers.

Our shops brought in £236,744 (net of costs) in this period, an 11% increase on 2013/14.

Communications

Our media and communications work has grown and developed during this period, supported by the appointment of a new Marketing and Communications Assistant.

In particular, social media presence has continued to grow and we now have over 8,800 Likes for our Facebook page and over 5,000 followers on Twitter. Our new website went live in June 2014 and was runner-up in the Northern Digital Awards' Best Digital Marketing Campaign for the Third Sector category.

- Website sessions have averaged around 10,000 sessions per month, with a peak in March of 11,950 sessions.
- Almost 75% of website visits are those previously unconnected with Martin House.
- Almost 75% of website traffic originates from search engines, with 1 in 5 visitors reaching the site directly (via www.martinhouse.org.uk).
- From 1 May 2014 to 30 April 2015, the total number of Facebook page likes has increased by 1,191 from 7,582 to 8,773 (16%).
- From September 2014 and April 2015, the number of Twitter followers increased by 503 from 4354 to 4857 (12%).

Our media work, including the Good Night's Sleep Appeal with Radio York, has been successful resulting in 63 additional articles in the press for the Appeal, a press reach of 1,049,263 people and a press value of £102,792. In the first quarter of 2015 our hospice press coverage in local and regional papers reached 5.9 million people with a value of £441,630.

We have appointed five high-profile Ambassadors who are helping us to raise our profile and build support with the wider public. These are Ryan Sidebottom (Yorkshire cricketer), Christine Talbot (Co-presenter of ITV Yorkshire's Calendar news programme), Mike Heaton (musician and drummer with Embrace), Jeff Hordley (actor and Emmerdale star) and Zoe Henry (actor and Emmerdale star).

Our suite of information and marketing materials, including our biannual newsletter, have been reviewed and revitalised and we published an Annual Review for the first time along with our Strategic Plan and a summary version of our Strategic Plan, both of which were well received. Our annual Open Day in October attracted over 500 visitors.

Our internal communications have been strengthened with the introduction of a monthly staff newsletter, consultation boards, and the development of an intranet.

Financial review

Principal sources of income

Our principal sources of income are statutory funding, investment income, and, by far the largest source, fundraising from the public.

We are reliant upon fundraising from the public to fund the large majority of our annual running costs. This funding comes to Martin House as donations, legacies, and profits made in our shops. We continue to be overwhelmed by the generosity of the public in supporting us in our charitable objectives.

Grant funding from the NHS Clinical Commissioning Groups, towards the costs of our service provision, covered around 23% of our expenditure on charitable activities.

Result for the year

The charity has generated a significant surplus of income over expenditure in 2014/15, despite beginning the financial year with a deficit budget. The key factors contributing to this have been:

- an exceptional year for legacy income, achieving a total of £1,641,936 against a budget of £750,000;
- maintenance of our statutory income from the NHS;
- a very successful year for corporate fundraising; and
- continuing to manage our expenditure effectively.

Financial position

The Balance Sheet shows total funds at 30 April 2015 of £21,708,977. Unrestricted funds are represented by tangible fixed assets of £3,984,099, investments of £15,523,630, and net current assets of £2,171,708. The charity is in a strong financial position.

Reserves policy

The Trustees have reviewed and amended their reserves policy during this year. The reserves policy adopted by the Board on 24 March 2015 is as follows:

Martin House makes a long-term commitment to those families that depend on its services and needs to provide a reliable and consistent service beyond the immediate future. The Trustees recognise that unrestricted reserves are necessary to secure future services, meet unexpected expenses, absorb setbacks and take advantage of change and opportunities for development when they arise. The Trustees also recognise that much of the organisation's income is uncertain and susceptible to fluctuations beyond its control. Having assessed these risks, the Trustees' aim is to build and maintain a financial cushion against the uncertainties that affect our operating environment whilst also generating income to help meet current operating costs.

The Trustees feel that it is prudent to maintain a minimum level of free unrestricted reserves sufficient to:

- cover the full operating costs of the hospice (care, fundraising, administration and governance) for at least two years; and
- generate annual investment income equal to a minimum of 5% of total annual operating costs; and
- meet the development needs set out in the strategic plan.

The Trustees also consider that a minimum of three months' operating costs (approximately £1.4m) should be held in free reserves, in cash, to enable steady cash flow management.

The Trustees' aim is that Martin House should continue to provide services at the existing level as a minimum, without compromising the quality of care offered. In the event of a reduction in income, the current policy is that the organisation should make no move to reduce service delivery until total *free* reserves reach a level of six months' operating costs. This does not preclude making efficiency savings to ensure effective use of resources.

At 30 April 2015 our free reserves, including the permanent investment fund, were £17,695,338.

Over the years, the Trustees have been able to invest surplus free reserves in an Investment Fund, to provide long-term commitment and support to the families dependent on Martin House. The annual income generated by the Investment Fund makes a valuable contribution to our annual running costs. It is the Trustees' intention to strengthen the Investment Fund so far as any surpluses arise, increasing the total return to the charity and reducing the burden on fundraising.

Investment Policy

The Trustees' investment policy is to achieve the best total return available from capital and income on a medium to long-term basis, while adopting a medium level of risk. The benchmark used to measure the results of the portfolio is a WMA Balanced Index. For the year ended 30 April 2015, the investment portfolio gave a total return of 9.94%, which compared to the WMA Balanced Index return of 11.6%. No specific restrictions are placed on the investment managers, Brewin Dolphin, who manage the portfolio on a discretionary basis.

The trustees have embarked on a review of their investment policy during the period, which will conclude in 2015.

Plans for future periods

Our focus in 2015/16 and beyond will be on the implementation of our 2015/18 strategic plan, which is organised under the following strategic aims:

1. Care

We remain committed to delivering and enabling the highest quality palliative care that meets the needs of all children and young people and their families in Yorkshire and the Humber. Care and compassion remain at the heart of what we do.

We will continue to actively explore how we might adapt and grow and aim to ensure that our model of care is always relevant, responsive and meeting the needs of the families we support.

In addition to maintaining the full range of palliative care services already in place, we will:

- expand our bereavement services;
- develop a new clinical information system;
- work to improve services and support for young adults with palliative care needs, both during and after transition to adult services;
- develop a pilot day service for young adults, in partnership with St. Gemma's hospice;
- develop, with others, the provision of 24/7 community services to meet the palliative care needs of children, young people and their families in Yorkshire and the Humber;
- improve support for the families of neonates with palliative care needs;
- improve our data collection, analysis and reporting;
- embed our revised clinical governance arrangements.

2. People

Our people, both paid staff and volunteers, are our most valuable resource. Investing in and supporting them to do the best job they can is critical to ensuring that we deliver the best possible support to our families. To do this, we will:

- continue to strengthen our internal communications;
- develop the staff and volunteer forums;
- increase our investment in learning and development, including leadership and management skills across the organisation;
- strengthen diversity awareness through an organisation-wide programme of training and development;
- conduct an organisational culture survey and act on the findings;
- review our pay and reward systems;
- ensure every staff member receives an effective appraisal;
- develop a volunteering strategy and expand our use of volunteers;
- strengthen workforce and succession planning.

3. Resources

In addition to our people, we must ensure we have the right finances, buildings, vehicles, equipment, IT and other resources to deliver our vision and mission.

a) Financial Strategy

The trustees have adopted a strategic plan that will see our expenditure increase over the next 3 years, and beyond. To support that, we have agreed a medium-term financial plan that includes annual budget deficits for the next 3 years, funded from our reserves. During that period, we will develop and implement a new income strategy, which identifies how we will generate the required increases in income for the longer term.

The trustees believe that this is a good and appropriate use of our reserves and are confident that we will remain financially sustainable and able to support our children and families in the longer term.

We will continue to ensure a diverse range of income sources, to spread the financial risk, and will seek to maintain statutory funding at or above current levels. We will keep under close review changes in statutory funding sources, including the introduction of personal health budgets and the palliative care tariff, to ensure we can respond effectively and appropriately.

b) Fundraising

Our Head of Fundraising has recently announced her intention to retire before the end of 2015, so we will be recruiting a new head of fundraising to lead the development of our income strategy and identify new sources of funding for the future.

Our fundraising team will continue to deliver a wide range of events and initiatives, and will also develop new opportunities to strengthen engagement with our communities, companies, and the general public.

On the retail side, we plan to open a further 1-2 shops a year over the next 2 years and develop our warehouse activity, including furniture sales, Kite books and eBay trading.

c) Facilities and IT

In addition to ensuring all existing facilities are maintained to a high standard, we will:

- refurbish and develop our outdoor play areas;
- upgrade our fire alarm systems;
- roll out the document management system and CRM database;
- develop a new clinical information system;
- develop use of the intranet;
- renew the hospice telephone system;
- review door security systems;
- develop mobile working solutions for all staff.

4. Effectiveness

We will ensure that we have high quality and effective ways of working in line with our values. In particular, we will:

- Embed our new clinical governance arrangements and use preparations for inspection under the new CQC regime as a tool to raise standards;
- Appoint a Data Quality Manager to develop data collection, analysis and reporting across the hospice;
- Develop a framework for, and increase, service user involvement;
- Continue to play a lead role in the development of the Yorkshire and Humber Children and Young People's Palliative Care Network and the implementation of the recommendations arising from the report into Specialist Paediatric Palliative Care in the region;
- Embed risk management across the organisation;
- Deliver an on-going programme of Board development;
- Produce quality accounts.

5. Learning and Communication

We aim to be at the forefront of children's and young people's palliative care education and research and will continue to identify ways to deliver that, in collaboration with others.

We will continue to support a Paediatric Palliative Medicine trainee at the hospice, along with medical and nursing students and we will work with others in the paediatric palliative care sector to develop a competency framework for our care staff.

We will raise awareness of Martin House and children's palliative care through a range of activities.

Principal risks and uncertainties

The Trustees reviewed the risk management policy during the year and adopted a revised policy in December 2014.

The major risks to which Martin House is exposed and the systems in place to mitigate those risks are set out in the risk register, which is reviewed monthly by the strategic management team, quarterly by the Finance and Resources and Clinical Governance Committees and at least annually by the Board of trustees. The risk register covers strategic, operational, clinical and financial risks.

The principal risks facing Martin House are clinical, financial and political. As a charity relying mainly on voluntary donations we always face the challenge of balancing the uncertainty of income with the certainty of increased costs and the need for investment. The future financial environment is made more uncertain as a result of changes being introduced in the statutory commissioning arrangements for health and social care, including personal health budgets and a palliative care currency and tariff.

We are addressing all risks through our strategic and operational planning processes and trustees believe that all major risks are being mitigated satisfactorily.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure and Governing Documents

Martin House is a registered charity and a company limited by guarantee. The company was incorporated on 1 May 1986 and registered as a charity on 28 April 1987. It is governed by a Memorandum and Articles of Association, amended on 1 December 2009. The charity has a wholly-owned subsidiary, Martin House (Shops) Ltd., which is incorporated in the UK and registered in England (company number 2166209).

How We Are Governed

The Board of Trustees acts collectively and is responsible for the overall philosophy and strategic direction of Martin House and ensuring that the charity is solvent, well-run, acts within its governing document and other relevant legislation. The Board meets at least quarterly and delegates the general management and operational activities of the hospice to the Chief Executive.

The Board has delegated some of its powers and responsibilities to the following Board committees, which meet quarterly:

- The Finance and Resources Committee exercises oversight of Martin House's finances, including its systems of financial control and risk management, budgets and accounts, capital expenditure and the management of its investments and cash resources. The Committee also reviews the results of the annual statutory audit and oversees the conduct and appointment of our auditors. The Committee is also responsible for employee remuneration, terms and conditions and policies and practices.
- The Research Committee oversees the development and implementation of the Martin House research strategy. This includes ensuring that any research meets high standards of ethical practice; reviewing and recommending research projects and proposals to the Board for funding or support; monitoring research projects; and, promoting research awareness throughout Martin House.
- The purpose of the Clinical Effectiveness Committee, which was established in March 2015, is to provide assurance to the Board that Martin House has a robust framework for the management of clinical systems and processes and that clinical care is patient/service user-centred, safe, of high quality, evidence based, appropriate and provides good outcomes.

Our Trustees

There are a number of trustee changes to report. In June 2014, Derek Chapman stood down after serving as a trustee for over 25 years, followed, in July, by the retirement of Victor Watson, who had served as a trustee for over 15 years. They both retired with our sincere thanks for their significant contributions. Sadly, Victor died in February 2015 and his departure was much mourned across the Yorkshire business community, as well as Martin House.

The trustees also wish to acknowledge the death, in January 2015, of Robin Wood. Robin was the first Administrator of Martin House and part of the founding team back in 1987. He went on to become a trustee of Martin House and only retired in July 2013. Robin dedicated his life to the children's hospice movement and was also Chair of the Board of Trustees at Francis House in Manchester.

Another long-serving trustee, Dr Sue Picton, retired on 30 April 2015 in order to take up her new position as Locum Medical Director at Martin House. Again, the trustees are very grateful to her for substantial contribution over the past 15 years.

The trustees retiring by rotation at the annual general meeting are Zoe Donaldson, Tim Halstead, Will Lifford, Michael Millington, Stephen Plews and Jennifer Slee and all are eligible for re-election. The power of appointment rests with the members in an annual general meeting and on the recommendation of the trustees.

All the trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note nine to the accounts.

Appointment, Induction and Training of Trustees

In December 2014, five new trustees were appointed to the Board following an extensive, open recruitment process and took up post from 1 January 2015. They all bring the general skills required of trustees plus specialist expertise in children's health care, finance and investment and marketing and communications. Their appointment has also increased the level of diversity in the Board, in terms of ethnicity, age and professional background, which is much welcomed by the trustees.

Following appointment, all the new trustees undertook an induction programme to familiarise themselves with Martin House and their responsibilities as trustees and have now been appointed to Board committees appropriate to their skills and experience.

The Board as a whole has taken part in a number of Board development exercises over the past year, focused firstly on the development and then implementation of the strategic plan. This will be ongoing.

In addition, the Chair and Chief Executive jointly took part in a residential development programme, run by Hospice UK, aimed at developing an effective partnership and improving governance.

Organisational Structure

Martin House employs, on average, 157 staff (122 FTE). The Chief Executive is responsible for the operation of Martin House. She is appointed by and accountable to the Board and is supported by a Strategic Management Team comprising a Director of Clinical Services (also Deputy Chief Executive), Medical Director/Consultant in Paediatric Palliative Care, Finance Manager, Head of Fundraising, Facilities Manager and HR Manager.

The care team, which comprised an average of 90 staff (77 FTE) during the year, is led by the Director of Clinical Services. She is supported by 2 Deputy Directors of Care and a team of 6 Care Team Leaders. The care team work in interdisciplinary teams comprising a range of professional backgrounds, including: a team of 5 doctors, led by a Consultant in Paediatric Palliative Medicine, who provide 24/7 medical cover for the hospice; a Consultant Clinical Psychologist; registered nurses, including registered children's and learning disabilities nurses; physiotherapists; occupational therapists; a social worker; nursery nurses; music therapists; artists in residence; educationalists; a lay chaplain; and a chef. A team of bank staff is also available to cover emergencies and sickness.

We also have:

- a facilities team, who maintain and develop the building, grounds and IT infrastructure;
- a fundraising team, who raise the voluntary income required to deliver our services;
- a retail team, who manage and develop our 9 shops and retail operations; and
- a finance and administration team, who ensure the efficient and smooth running of the organisation.

The paid staff are supported by over 250 regular volunteers, who work in fundraising, our shops, gardening, reception, kitchen, IT and maintenance. Without our volunteers we simply could not operate and we are immensely grateful for the enormous contribution they make to Martin House.

Legal and Administrative Information

Charity name:	Martin House
Charity registration number:	517919
Company registration number:	2016332
Registered office and operational address:	Grove Road, Boston Spa, Wetherby, LS23 6TX

Subsidiary Undertaking

Company name:	Martin House (Shops) Ltd
Company registration number:	2166209

The principal activities of the trading subsidiary are the sale of bought goods and goods sold as agent. The subsidiary has performed satisfactorily during the year, and all profits generated are donated to Martin House.

Trustees

The Trustees, who are also Directors, are the members of the charitable company, the equity being limited by guarantee and therefore having no share capital. The Trustees in post on 30 April 2015 were:

Will Lifford BSc FCA	Chair of the Board of Trustees Chair/Member of the Finance and Resources Committee (Chair up to 24.3.15)
Clair Challenor Chadwick	Appointed 1.1.15 Member of the Finance and Resources Committee (from 24.3.15)
Zoe Donaldson	Member of the Research Committee
Timothy J Halstead LLB	Member/Chair of the Finance and Resources Committee (Chair from 24.3.15)
Dr Fiona Hicks BMedSci BM BS FRCP	Vice Chair of the Board of Trustees Chair of the Research Committee
Majid Khan	Appointed 1.1.15 Member of the Finance and Resources Committee (from 24.3.15)
Dr John H Livingston MB CHB FRCP FRCPCH	Member of the Research Committee
Rifhat Malik	Appointed 1.1.15 Member of the Clinical Effectiveness Committee (from 24.3.15)
Michael Millington BSc Hons MBA	Member of the Finance and Resources Committee
Dr Susan Picton BM BS FRCP FRCPCH*	Retired 30.4.15
Stephen A Plews	
Sue Rumbold	Appointed 1.1.15 Member of the Clinical Effectiveness Committee (from 24.3.15)
Jenny Slee (Cromack) LLB	Member of the Clinical Effectiveness Committee (from 24.3.15) Member of the Research Committee (up to 24.3.15)
Dr Robert Antony Smith MD FRCPCH	Member of the Clinical Effectiveness Committee (from 24.3.15)
David Swarbrick BA	Member of the Finance and Resources Committee Member of the Research Committee
Jennifer Wilkinson	Member of the Clinical Effectiveness Committee (from 24.3.15)
Professor Barry Wright	Appointed 1.1.15 Member of the Clinical Effectiveness Committee (from 24.3.15)

*Dr Susan Picton stepped down on 30 April 2015, after over 15 years' service as a trustee, in order to take up the position of Locum Medical Director at Martin House from 4 May 2015.

Trustees who retired during 2014/15 were:

Derek Chapman CA Retired 10 June 2014
Victor H Watson CBE DL LLD MA Retired 22 July 2014

Non-Trustee Committee Members

A number of non-trustees also served on the Research Committee during 2014/15. They were:

Prof Bryony Beresford BSc PhD Research Director, Social Policy Research Unit,
University of York
Dr Lorna Fraser PhD MMedSci Anniversary Research Lecturer, University of York
MSc MRCPCH MBChB
Prof Patricia McKinney Emeritus Professor of Paediatric Epidemiology,
University of Leeds Medical School

Patron

The Most Revd. and Rt. Hon. Dr. John Sentamu, Lord Archbishop of York

Ambassadors

The Board of Trustees appointed a number of Ambassadors to support Martin House during 2014/15. They do not have any formal role in the governance of the charity but assist by gaining publicity, raising our profile and helping to influence policy makers regionally and nationally. Those appointed during 2014/15, to serve for a period of two years, were:

- **Ryan Sidebottom** Yorkshire Cricketer
- **Christine Talbot** ITV News Presenter
- **Mike Heaton** Musician
- **Jeff Hordley** Actor
- **Zoe Henry** Actor

Advisors

Auditor:

Baker Tilly UK Audit LLP
2 Whitehall Quay,
Leeds LS1 4HG

Investment Managers:

Brewin Dolphin,
10 Wellington Place,
Leeds LS1 4AN

Pension Advisors:

Ashcourt Rowan Corporate Solutions Ltd
3rd Floor, City Point
29 King Street
Leeds LS1 2HL

Principal Bankers:

Barclays Bank Plc
25 James Street,
Harrogate HG1 1QX

Strategic Management Team

Angela Monaghan	Chief Executive and Company Secretary
Gary Hall	Facilities and IT Manager
Sheila O'Leary RGN RSCN	Director of Clinical Services (Deputy Chief Executive)
Ken McDougall	HR Manager
Dr Mike Miller	Medical Director/Consultant in Paediatric Palliative Care (retired 31.3.15)
Laura Mitchinson	Finance Manager
Alyson Wort	Head of Fundraising

The trustees, in their capacity as directors, hereby approve the Trustees' Annual Report and the incorporated Strategic Report.

Will Lifford
Chairman
21 July 2015

Statement of Trustees' Responsibilities in Respect of the Trustees' Report and the Financial Statements

The trustees (who are also directors of Martin House 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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 the group 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; and
- 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.

Independent auditor's report to the members of Martin House

We have audited the group and parent charity financial statements of Martin House ("the financial statements") for the year ended 30 April 2015 on pages 26 to 42. 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 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.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 24 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 April 2015 and of the group's 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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:

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

VICTORIA CRAVEN (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
2 Whitehall Quay
Leeds
LS1 4HG

Date

**Consolidated Statement of Financial Activities (incorporating an income and expenditure account and statement of recognised gains and losses)
for the year ended 30 April 2015**

	<i>Note</i>	2015 Unrestricted Funds £	2015 Restricted Funds £	2015 Total Funds £	2014 Total Funds £
Incoming resources from generated funds					
Voluntary income					
Donations, gifts and fund raising		1,807,903	129,668	1,937,571	1,947,791
Legacies		1,641,936	-	1,641,936	886,019
Activities for generating funds					
Income arising from retail operations		741,772	-	741,772	675,373
Fundraising events and lottery		559,645	3,852	563,497	628,416
Other activities for generating funds		29,259	-	29,259	29,747
Investment income					
Income from investment and bank interest	3	411,464	-	411,464	400,932
Incoming resources from charitable activities					
Funding from Clinical Commissioning Groups		614,105	20,000	634,105	718,505
NHS England grants		-	341,783	341,783	557,972
Other income		28,623	5,100	33,723	43,479
Total incoming resources		5,834,707	500,403	6,335,110	5,888,234
Resources expended					
Cost of generating funds					
- Cost of generating voluntary income	5	497,119	31,498	528,617	471,254
- Cost of retail operations	5	505,028	-	505,028	461,508
- Cost of fundraising events, lottery & other activities	5	275,174	-	275,174	277,578
- Investment management cost	5	54,695	-	54,695	46,818
Charitable activities	6	3,639,625	473,853	4,113,478	3,788,391
Governance costs	7	33,746	-	33,746	35,744
Total resources expended	8	5,005,387	505,351	5,510,738	5,081,293
Net incoming resources before transfers	2	829,320	(4,948)	824,372	806,941
Transfers between funds	18	62,154	(62,154)	-	-
Net incoming resources before other recognised gains & losses		891,474	(67,102)	824,372	806,941
Net realised & unrealised gains on investments	11(a)	1,067,695	-	1,067,695	694,474
Net movement in funds for the year		1,959,169	(67,102)	1,892,067	1,501,415
Funds brought forward at beginning of year		19,720,268	96,642	19,816,910	18,315,495
Funds carried forward at end of year	19	21,679,437	29,540	21,708,977	19,816,910

The results for the year all relate to continuing operations.

Balance sheets as at 30 April 2015

		Group		Charity	
		2015	2014	2015	2014
		£	£	£	£
Fixed assets					
Tangible Assets	10	3,984,099	3,842,214	3,984,099	3,842,214
Investments	11	15,523,630	14,046,396	15,523,632	14,046,398
		<hr/>	<hr/>	<hr/>	<hr/>
		19,507,729	17,888,610	19,507,731	17,888,612
Current assets					
Stock	12	5,790	6,882	-	-
Debtors	13	807,381	595,394	823,102	616,640
Cash on deposit, at bank, in hand	14	2,301,423	1,912,977	2,288,121	1,895,633
		<hr/>	<hr/>	<hr/>	<hr/>
		3,114,594	2,515,253	3,111,223	2,512,273
Creditors: amounts falling due within one year	15	(913,346)	(586,953)	(909,977)	(583,975)
		<hr/>	<hr/>	<hr/>	<hr/>
Net current assets		2,201,248	1,928,300	2,201,246	1,928,298
		<hr/>	<hr/>	<hr/>	<hr/>
Net assets		21,708,977	19,816,910	21,708,977	19,816,910
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Funds					
<i>Restricted Funds</i>					
Revenue	18	20,000	31,498	20,000	31,498
Capital	18	5,327	60,931	5,327	60,931
Children's Palliative Care Network	18	4,213	4,213	4,213	4,213
		<hr/>	<hr/>	<hr/>	<hr/>
	18	29,540	96,642	29,540	96,642
<i>Unrestricted Funds</i>					
Represented by:					
Tangible fixed assets	19	3,984,099	3,842,214	3,984,099	3,842,214
Permanent investment fund - designated	19	15,523,630	14,046,396	15,523,632	14,046,398
Free reserves	19	2,171,708	1,831,658	2,171,706	1,831,656
		<hr/>	<hr/>	<hr/>	<hr/>
		21,679,437	19,720,268	21,679,437	19,720,268
		<hr/>	<hr/>	<hr/>	<hr/>
		21,708,977	19,816,910	21,708,977	19,816,910
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

These financial statements on pages 26 to 42 were approved by the board of Trustees on 21st July 2015 and were authorised for issue and signed on its behalf by:

W L Lifford
Trustee

F Hicks
Trustee

Consolidated cash flow statement for the year ended 30 April 2015

	<i>Note</i>	2015	2014
		£	£
Net cash inflow from operating activities		762,194	490,368
Returns on investments and servicing of finance			
Interest and dividends received		411,464	400,932
		<hr/>	<hr/>
Net cash inflow from returns on investments and servicing of finance		411,464	400,932
Capital expenditure			
Purchase of tangible fixed assets	<i>10</i>	(377,589)	(413,486)
Sale proceeds of tangible fixed assets		1,916	550
Purchase of investments	<i>11(a)</i>	(3,280,268)	(3,122,450)
Sale of investments	<i>11(a)</i>	2,823,180	2,505,414
		<hr/>	<hr/>
		(832,761)	(1,029,972)
		<hr/>	<hr/>
Increase/(decrease) in cash	<i>20</i>	340,897	(138,672)
		<hr/> <hr/>	<hr/> <hr/>

Reconciliation of net incoming resources to net cash inflow from operating activities

	2015	2014
	£	£
Net incoming resources	824,372	806,941
Interest and dividends received	(411,464)	(400,932)
Profit on sale of fixed assets	(1,337)	(285)
Depreciation charge	235,125	196,093
Decrease/(increase) in stock	1,092	(338)
Increase in debtors	(211,987)	(222,331)
Increase in creditors	326,393	111,220
	<hr/>	<hr/>
Net cash inflow from operating activities	762,194	490,368
	<hr/> <hr/>	<hr/> <hr/>

Notes

(Forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules, modified to include the revaluation of investments. The financial statements have also been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) and the Companies Act 2006.

Basis of consolidation

The consolidated financial statements comprise Martin House and its wholly-owned subsidiary undertaking, Martin House (Shops) Ltd. The summarised profit and loss account for the subsidiary is shown in note 4. The results of the subsidiary are consolidated on a line by line basis. A separate Statement of Financial Activities, including the income and expenditure account, for the charity itself is not presented as the charity has taken advantage of the exemptions offered by section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005. The gross income of the charity was £6,246,580 (2014: £5,804,923) and the net incoming resources were £824,372 (2014: £806,941).

Going Concern

The charitable company meets its daily working capital requirements through its bank account which has funds of £2.3m at 30 April 2015. The current economic conditions have created an element of uncertainty over the return from listed investments and have continued to place reliance on the funding from voluntary donations and grants. Given the charitable company's favourable fundraising record and the level of free reserves available at the year end, the Trustees consider that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the financial statements have been prepared on a going concern basis.

Format of financial statements

In view of the nature of the charitable company's activities, the headings in the Companies Act 2006 Schedule 4 are perceived to be inappropriate and a Statement of Financial Activities is presented in place of the prescribed profit and loss account.

The Trustees have taken advantage of paragraph 3(3) of Schedule 4 of the Companies Act 2006 which allows the preparation of financial statements to be adapted to reflect the special nature of the charitable company's business.

Company status

The company is limited by guarantee; the liability of the members is limited to one pound.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objectives of the charity. These arise when funds are subject to specific restrictive conditions imposed by funders/donors or by the purpose of the grant. The purpose and use of the restricted funds is set out in note 18.

Incoming resources

Incoming resources are recognised in the year in which entitlement arises and the amount can be measured with certainty. Income is deferred:

- where the company has to fulfil conditions before becoming entitled to it,
- where the income is received specifically for expenditure in a future accounting period, and
- where donations, sponsorship and entry fees are received in anticipation of an event to be held in a future accounting period.

Notes (continued)

1 Accounting policies (continued)

Legacies

Pecuniary and residuary legacies are recognised when received or if, before receipt, there is sufficient evidence that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

Gifts in kind and volunteers' contributions

Martin House benefits greatly from a variety of gifts in kind and voluntary contributions. Gifts donated for resale are included as income when they are sold. Fixed assets donated to the charity are included as donation income at market value at the time of receipt. Consumables and small items donated for fundraising activities are not recognised in the financial statements. No amounts are included in the financial statements for services donated by volunteers.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of any VAT that cannot be recovered. Resources expended are allocated directly to a particular activity where costs relate directly to that activity. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Cost of generating funds

These include the salaries, direct expenditure and overhead costs of the fundraising team as well as lottery and event costs, investment management costs and the cost of our retail operations.

Charitable activity costs

These include the salaries, direct expenditure and overhead costs of the care and support team.

Governance costs

These include a proportion of one staff member's salary, the audit fee and related audit costs and trustee expenses.

Operating leases

Rentals payable are charged on a time basis over the lease term.

Fixed assets and depreciation

Fixed assets are stated at cost. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	2-4% straight line
Furniture and fittings	-	25% straight line
Office furniture and equipment	-	20% to 33% straight line
Vehicles	-	25% reducing balance

All capital expenditure over £250 is capitalised as an asset.

Listed investments

All investments are re-valued at mid-market value at the year end.

Unrealised changes made to the balance sheet market values are reflected in the Statement of Financial Activities together with realised profits and losses on sales of investments during the year.

Stocks

Donated goods for resale are valued at £nil and are included in the accounts in the accounting period in which the gift is sold. Purchased goods for resale are valued at the lower of cost and net realisable value.

Notes (continued)

1 Accounting policies (continued)

Pensions

Employees that have previously worked for the NHS are entitled to continue to contribute to the NHS Pension Scheme subject to certain conditions. The NHS Scheme is an unfunded final salary scheme operated by the National Health Service. The contributions are calculated so as to spread the cost of pensions over employees' working lives, whilst they remain in qualifying employment, in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of periodic valuations, and any deficit is underwritten by the Treasury.

The scheme is not designed to be run in a way that would enable employers of eligible employees to identify their share of the underlying scheme assets and liabilities, and the scheme is unfunded. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the amount charged against profits represents the contributions payable to the scheme. Staff not entitled to join the NHS Scheme can join a stakeholder pension scheme, which is a defined contribution scheme. The amount charged against profits for the stakeholder scheme represents the contributions payable to the scheme in respect of the accounting period.

Cash and liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand. Liquid resources comprise term deposits of less than one year (other than cash).

Tax

Martin House is considered to be a charity for tax purposes and therefore benefits from exemptions from tax on its income and gains falling within Part 11 of the Corporation Tax Act 2010 and on gains falling within section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

Martin House (Shops) Ltd, the wholly-owned subsidiary company, donates all trading profits generated to Martin House, such that no corporation tax liability arises.

2 Net incoming resources

	2015	2014
	£	£
<i>Net incoming resources are stated after charging/(crediting):</i>		
Depreciation of tangible fixed assets	235,125	196,093
Profit on disposal of fixed assets	(1,337)	(285)
Auditor's remuneration - audit of charity and subsidiary company accounts	12,340	10,920
- other services	1,450	900
Operating lease rentals in respect of land and buildings	118,162	102,020
	=====	=====

3 Investment income

	Unrestricted 2015	Unrestricted 2014
	£	£
Gross dividends and interest receivable from listed investments	392,858	373,053
Interest from building society and banks	10,460	23,413
Property rent	8,146	4,466
	=====	=====
	411,464	400,932
	=====	=====

Notes *(continued)*

4 Subsidiary company

The charity has a wholly-owned subsidiary, Martin House (Shops) Ltd which is incorporated in the UK and registered in England (company number 2166209). The company undertakes various trading activities including the sale of bought goods, the sale of goods as agent, and other trading activities on behalf of the charity. A summary of its trading results for the period is shown below. The company donates all taxable profits to Martin House under Gift Aid.

	2015	2014
	£	£
Profit and loss account		
Turnover	146,455	137,022
Cost of sales	(38,363)	(41,723)
	<hr/>	<hr/>
Gross profit	108,092	95,299
Rent and rates	(10,287)	(8,740)
Staff costs	(36,047)	(30,495)
Other expenses	(17,595)	(12,202)
Interest payable to parent company	(647)	(607)
	<hr/>	<hr/>
	43,516	43,255
	<hr/> <hr/>	<hr/> <hr/>
Share capital	2	2
Profit and loss account	-	-
	<hr/>	<hr/>
Total shareholders' funds	2	2
	<hr/> <hr/>	<hr/> <hr/>

Investment in the wholly-owned subsidiary is valued at cost of £2 (2014: £2) in the balance sheet of the charity.

Notes (continued)

5 Costs of generating funds

	Unrestricted 2015 £	Restricted 2015 £	Total 2015 £	Total 2014 £
Costs of generating voluntary income				
Staff costs (Note 9)	328,564	-	328,564	297,777
Publicity and newsletter	44,512	-	44,512	54,483
Professional fees	6,773	-	6,773	7,041
Other	117,270	31,498	148,768	111,953
	<u>497,119</u>	<u>31,498</u>	<u>528,617</u>	<u>471,254</u>
Cost of retail operations				
Staff costs (Note 9)	246,322	-	246,322	220,858
Other	258,706	-	258,706	240,650
	<u>505,028</u>	<u>-</u>	<u>505,028</u>	<u>461,508</u>
Lottery and event costs				
Staff costs (Note 9)	68,501	-	68,501	65,437
Other	206,673	-	206,673	212,141
	<u>275,174</u>	<u>-</u>	<u>275,174</u>	<u>277,578</u>
Investment management cost	<u>54,695</u>	<u>-</u>	<u>54,695</u>	<u>46,818</u>

6 Charitable activities

	Unrestricted 2015 £	Restricted 2015 £	Total 2015 £	Total 2014 £
<i>Provision of care:</i>				
Staff costs (note 9)	2,320,259	468,753	2,789,012	2,659,981
Consumables	163,187	-	163,187	163,140
Other	311,551	-	311,551	234,602
<i>Support costs:</i>				
Staff costs (note 9)	551,116	5,100	556,216	506,045
Establishment	293,512	-	293,512	224,623
	<u>3,639,625</u>	<u>473,853</u>	<u>4,113,478</u>	<u>3,788,391</u>

Notes (continued)

7 Governance costs

	Unrestricted 2015 £	Total 2015 £	Total 2014 £
Staff costs (Note 9)	19,945	19,945	19,895
Audit costs	9,240	9,240	7,920
Other costs	4,561	4,561	7,929
	<u>33,746</u>	<u>33,746</u>	<u>35,744</u>

8 Total resources expended

	Staff costs 2015 £	Depreciation 2015 £	Other costs 2015 £	Total 2015 £	Total 2014 £
Direct charitable expenditure	3,345,228	218,759	549,491	4,113,478	3,788,391
Governance costs	19,945	-	13,801	33,746	35,744
Costs of generating funds	643,387	16,366	703,761	1,363,514	1,257,158
	<u>4,008,560</u>	<u>235,125</u>	<u>1,267,053</u>	<u>5,510,738</u>	<u>5,081,293</u>

9 Staff numbers and costs

The average number of staff employed by the charitable company during the year was as follows:

	Average headcount		Average FTE	
	2015	2014	2015	2014
Charitable activities – care team and support	120	116	96	94
Fundraising and shops	37	35	26	23
	<u>157</u>	<u>151</u>	<u>122</u>	<u>117</u>

Notes (continued)

9 Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	2015	2014
	£	£
Wages and salaries	3,501,166	3,316,899
Social security costs	236,844	215,379
Other pension costs (note 16)	270,550	237,717
	<u>4,008,560</u>	<u>3,769,995</u>

Included in the above costs is £105,373 in respect of one member of the medical team contracted to the charity by a local NHS trust.

The Trustees do not receive any remuneration. During the year no expenses were paid to trustees (2014: £nil). Trustees are not included in the average number of employees. In accordance with the Memorandum of Association the charity purchased charity and charity trustee indemnity insurance. The cost of this insurance included in the statement of financial activities was £530 (2014: £530).

The number of higher paid employees is disclosed below.

	2015	2014
	No.	No.
£60,000 to £70,000	<u>2</u>	<u>2</u>

Contributions of £5,593 (2014: £3,598) were made to the Martin House Stakeholder Scheme, a defined contribution scheme, for two higher paid employees.

10 Tangible fixed assets

	Freehold land and Buildings	Furniture and fittings	Office furniture and equipment	Vehicles	Total
	£	£	£	£	£
Cost					
At beginning of year	4,827,248	916,358	496,775	210,938	6,451,319
Additions	165,020	147,128	32,972	32,469	377,589
Disposals	-	-	-	(25,304)	(25,304)
	<u>4,992,268</u>	<u>1,063,486</u>	<u>529,747</u>	<u>218,103</u>	<u>6,803,604</u>
Depreciation					
At beginning of year	1,280,680	741,224	411,003	176,198	2,609,105
Charge for year	96,731	88,968	39,605	9,821	235,125
On disposals	-	-	-	(24,725)	(24,725)
	<u>1,377,411</u>	<u>830,192</u>	<u>450,608</u>	<u>161,294</u>	<u>2,819,505</u>
Net book value					
At 30 April 2015	<u>3,614,857</u>	<u>233,294</u>	<u>79,139</u>	<u>56,809</u>	<u>3,984,099</u>
At 30 April 2014	<u>3,546,568</u>	<u>175,134</u>	<u>85,772</u>	<u>34,740</u>	<u>3,842,214</u>

Notes *(continued)*

10 Tangible fixed assets *(continued)*

The cost of freehold land and buildings includes £75,000 (2014:£75,000) of land which is not depreciable.

11 Fixed asset investments

CHARITY	2015	2014
	£	£
Listed investments (note 11(a))	15,505,937	13,981,154
Cash held as part of investment portfolio	17,693	65,242
Investment in Martin House (Shops) Limited (note 4)	2	2
	<hr/>	<hr/>
	15,523,632	14,046,398
	<hr/> <hr/>	<hr/> <hr/>

GROUP	2015	2014
	£	£
Listed investments (note 11(a))	15,505,937	13,981,154
Cash held as part of investment portfolio	17,693	65,242
	<hr/>	<hr/>
	15,523,630	14,046,396
	<hr/> <hr/>	<hr/> <hr/>

These investments both in income and long term growth support the work of the hospice.

11(a) Listed investments

	2015	2014
	Total	Total
	£	£
Market value at beginning of year	13,981,154	12,669,644
Additions	3,280,268	3,122,450
Disposals (Proceeds)	(2,823,180)	(2,505,414)
Realised and unrealised investment gains	1,067,695	694,474
	<hr/>	<hr/>
Market value at end of year	15,505,937	13,981,154
	<hr/> <hr/>	<hr/> <hr/>
Cost at end of year	11,729,866	10,924,748
	<hr/> <hr/>	<hr/> <hr/>

Analysis of market value of listed investments by type of fund:	2015	2014
	Total	Total
	£	£
UK bonds	2,550,569	2,479,984
UK equities	6,535,627	6,657,475
Overseas equities	4,698,251	3,835,607
Property	1,053,202	566,300
Other	668,288	441,788
	<hr/>	<hr/>
Market value at end of year	15,505,937	13,981,154
	<hr/> <hr/>	<hr/> <hr/>

Notes *(continued)*

11(b) Investment in Land

Martin House is the beneficiary of a piece of farmland in Cleckheaton. This has been given for conversion to cash by the charity as a donation but is currently subject to an option agreement with a developer until February 2017. It has therefore not been included in the financial statements. The current value of the land is estimated at £24,000 as agricultural land.

12	Stock	Group		Charity	
		2015	2014	2015	2014
		£	£	£	£
	Goods for resale	5,790	6,882	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

13	Debtors	Group		Charity	
		Due within one year 2015	Due within one year 2014	Due within one year 2015	Due within one year 2014
		£	£	£	£
	Amounts due from Martin House (Shops) Limited	-	-	15,721	21,246
	Legacies due, accrued income and prepayments	807,381	595,394	807,381	595,394
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		807,381	595,394	823,102	616,640
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

The amounts due from Martin House (Shops) Limited include a loan of £5,000 covered by a debenture dated 30 April 1992 which provides for interest to be paid at 3% over Barclays Bank Plc base rate. The debenture is secured by a floating charge over all the assets of the company, and there is no fixed date for repayment.

14	Cash at bank, in hand and on deposit	Group		Charity	
		2015	2014	2015	2014
		£	£	£	£
	CCLA Investment Management Ltd	51,615	51,391	51,615	51,391
	Interest bearing bank and building society deposits	2,248,916	1,860,865	2,235,984	1,843,521
	Cash in hand	892	721	522	721
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		2,301,423	1,912,977	2,288,121	1,895,633
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes *(continued)*

15 Creditors: amounts falling due within one year	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Trade creditors	125,445	189,120	125,445	189,120
Other taxes and social security costs	73,406	68,897	74,137	69,869
Other creditors	46,898	40,140	46,898	40,140
Accruals and deferred income	667,597	288,796	663,497	284,846
	<u>913,346</u>	<u>586,953</u>	<u>909,977</u>	<u>583,975</u>

Movement in deferred income

Deferred income at 1 May 2014 £	Released in current year £	Deferred in year £	Deferred income at 30 April 2015 £
201,926	201,926	598,079	598,079

Income deferred in the year includes income invoiced in advance and fundraising income for events to be held during 2015/16.

Notes (continued)

16 Pension costs

Employees belong to two pension schemes: the NHS Scheme and a stakeholder scheme, both of which are treated as defined contribution schemes under FRS 17.

	2015 £	2014 £
NHS Scheme	194,782	183,548
Stakeholder scheme	75,768	54,169
	<hr/>	<hr/>
	270,550	237,717
	<hr/> <hr/>	<hr/> <hr/>

NHS Scheme

Eligible employees (as defined by section 7(2) of the Superannuation (Miscellaneous Provisions) Act 1967) are able to remain in the NHS Pension Scheme as if they were still in employment of an employing authority. The NHS Pension Scheme is an unfunded occupational scheme backed by the Exchequer, which is open to all NHS employees and employees of other approved organisations. The Scheme provides pensions, based on final salary, in varying circumstances for employees of participating employers. The Scheme receives contributions from employees and employers to defray the costs of pensions and other benefits. The scheme is subject to a full actuarial valuation every four years and an accounting valuation every year. Details of the benefits payable, and the basis for the valuations under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

17 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	Land and buildings	
	2015 £	2014 £
Operating leases which expire within one year	33,250	14,190
Operating leases which expire between one and two years	15,000	25,000
Operating leases which expire between two to five years	60,725	60,000
Operating leases which expire after more than five years	30,000	15,725
	<hr/>	<hr/>
	138,975	114,915
	<hr/> <hr/>	<hr/> <hr/>

Capital commitments at the balance sheet date:

	2015 £	2014 £
Authorised and contracted for:		
Den project – costs to completion	-	27,510
New server installation – costs to completion	-	20,111
	<hr/>	<hr/>
	-	47,621
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

18 Statement of Funds

GROUP	As At 1 May 2014	Income	Expenditure	Investment gains	Transfers	As at 30 April 2015
	£	£	£	£	£	£
Unrestricted Funds						
General fund	5,673,872	5,834,707	(5,005,387)	-	(347,385)	6,155,807
Permanent Investment fund	14,046,396	-	-	1,067,695	409,539	15,523,630
	<u>19,720,268</u>	<u>5,834,707</u>	<u>(5,005,387)</u>	<u>1,067,695</u>	<u>62,154</u>	<u>21,679,437</u>

CHARITY	As At 1 May 2014	Income	Expenditure	Investment gains	Transfers	As at 30 April 2015
	£	£	£	£	£	£
Unrestricted Funds						
General fund	5,673,870	5,746,177	(4,916,857)	-	(347,385)	6,155,805
Permanent Investment fund	14,046,398	-	-	1,067,695	409,539	15,523,632
	<u>19,720,268</u>	<u>5,746,177</u>	<u>(4,916,857)</u>	<u>1,067,695</u>	<u>62,154</u>	<u>21,679,437</u>

GROUP AND CHARITY

Restricted Funds

Good Night's Sleep Appeal	-	126,970	(126,970)	-	-	-
Bereavement Funding	-	20,000	-	-	-	20,000
NHS England grant	-	277,610	(277,610)	-	-	-
Pension indexation funding	-	64,173	(64,173)	-	-	-
Den project funding	31,113	-	-	-	(31,113)	-
Other capital funds	29,818	6,550	-	-	(31,041)	5,327
Funding for IT projects	31,498	-	(31,498)	-	-	-
Transition project	-	5,100	(5,100)	-	-	-
Children's Palliative Care Network	4,213	-	-	-	-	4,213
	<u>96,642</u>	<u>500,403</u>	<u>(505,351)</u>	<u>-</u>	<u>(62,154)</u>	<u>29,540</u>

Unrestricted funds

General Funds – These represent the free reserves and fixed assets of the charity that are not designated or restricted for particular purposes.

Permanent Investment Fund – This fund has been designated by the Trustees as those medium to long term investments by the charity that provide longer term protection for the families dependent on us.

Restricted Funds – represent monies received for specific purposes as follows:

The Good Night's Sleep Appeal – is a direct appeal in conjunction with BBC Radio York, to raise monies towards the cost of in-hospice care for children and young people in North Yorkshire.

Bereavement funding – grant funding from Leeds CCG towards the expansion of our bereavement work.

NHS England Grant – This is a grant received to support us in our aim to continue the provision of the high level of specialist care for the children and families in Yorkshire.

Pension indexation funding – is a contribution from NHS England towards the cost of our employer's NHS pension contributions.

Notes (continued)

18 Statement of Funds (continued)

Den project funding – included funding from NHS England, Variety Club, Jimbo's and other charitable trusts towards the transformation of the teenage 'Den', which was completed in this year.

Other capital funds – Consist of contributions from Trusts and other sources for specific items of equipment.

Funding for IT projects – funding received in 2013/14 from NHS Health Education England and Leeds South & East CCG to purchase new fundraising database software and development, and a Data Management System, all spent in this year.

Transition project – funding from Together for Short Lives towards the cost of coordination of the Regional Action Groups and participation in Transition Taskforce activity.

Children's Palliative Care Network – This is funding received to meet the cost of network meetings.

Transfers

Transfers totalling £62,154 have been made from restricted to general funds where capital expenditure has been incurred from restricted funds, and the assets purchased are held for a general purpose within the charity. Transfers of £409,539, consisting of cash and investments received as part of a legacy, were added to the Permanent Investment Fund from general funds during the year.

19 Analysis of net assets between funds

GROUP		Tangible fixed assets	Investments	Net current assets	Total
		£	£	£	£
Restricted Funds		-	-	29,540	29,540
Unrestricted Funds	- Designated	-	15,523,630	-	15,523,630
	- Other	3,984,099	-	2,171,708	6,155,807
		<u>3,984,099</u>	<u>15,523,630</u>	<u>2,201,248</u>	<u>21,708,977</u>
		<u><u>3,984,099</u></u>	<u><u>15,523,630</u></u>	<u><u>2,201,248</u></u>	<u><u>21,708,977</u></u>
CHARITY		Tangible fixed assets	Investments	Net current assets	Total
		£	£	£	£
Restricted Funds		-	-	29,540	29,540
Unrestricted Funds	- Designated	-	15,523,632	-	15,523,632
	- Other	3,984,099	-	2,171,706	6,155,805
		<u>3,984,099</u>	<u>15,523,632</u>	<u>2,201,246</u>	<u>21,708,977</u>
		<u><u>3,984,099</u></u>	<u><u>15,523,632</u></u>	<u><u>2,201,246</u></u>	<u><u>21,708,977</u></u>

Notes (continued)

20 Analysis of net cash funds

	At beginning of year £	Cashflow £	At end of year £
Cash in hand	1,051	(159)	892
Cash on short term deposit	1,911,926	388,605	2,300,531
	-----	-----	-----
	1,912,977	388,446	2,301,423
Cash held on deposit with Brewin Dolphin (See note 11)	65,242	(47,549)	17,693
	-----	-----	-----
Net cash funds	1,978,219	340,897	2,319,116
	=====	=====	=====

21 Reconciliation of net cash flow movement in cash

	2015 £	2014 £
Increase/(decrease) in cash in the year	340,897	(138,672)
Net cash at 1 May 2014	1,978,219	2,116,891
	-----	-----
Net cash at 30 April 2015	2,319,116	1,978,219
	=====	=====

22 VAT group

The charity is party to a cross guarantee in respect of a group VAT registration. At 30 April 2015 the total group VAT balance was a debtor of £731 (2014: VAT debtor of £972).

23 Legacy income

At the balance sheet date the charity had been notified of a legacy with a value estimated at approximately £70,000 less costs. This legacy has not been recognised in this year as the monetary value cannot be measured with sufficient reliability.