



**CHILDREN'S LIVER DISEASE
FOUNDATION**

COMPANY NO. 03431169

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2016**

CONTENTS	PAGE
Report of the Trustees and Directors	2 - 17
Auditor's Report	18
Consolidated statement of financial activities	19
Consolidated balance sheet	20
Charity balance sheet	21
Consolidated cash flow	22
Notes to the financial statements	23 - 35

Report of the trustees and directors for the year ended 31 March 2016

Reference and administrative details

Registered Charity No: 1067331 (England and Wales) SC044387 (Scotland)

Company No: 03431169

Founders: Mrs Sonya McGough
Mr Peter McGough

Trustees and Directors:

Mr Thomas M Ross OBE (Chairman)
Mr Nicholas Budd
Mrs Kellie Charge
Mrs Mairi Everard
Mrs Georgina Sugden
Mr David Tildesley
Ms Theresa Martin
Mrs Karen Redgate (appointed 21st June 2016)

Chief Executive & Company Secretary

Ms Alison Taylor

Key management personnel

Chief Executive Officer	Ms Alison Taylor
Support Team Manager	Mrs Laura Varma
Head of Fundraising	Ms Joanna Oldfield
Finance Manager	Mrs Gillian Baylis

Registered Office

36 Great Charles Street
Birmingham B3 3JY

Bankers

Bank of Scotland
33 Old Broad Street
London

Auditor

Stephen W Jones FCA
King Edward House
82 Stourbridge Road
Halesowen
West Midlands B63 3UP

Investment Adviser

Brewin Dolphin
9 Colmore Row
Birmingham
B3 2BJ

Report of the trustees and directors for the year ended 31 March 2016 (continued)**Structure, governance and management**

The company is a private company limited by guarantee governed by its Memorandum and Articles of Association dated 27 August 1997, amended on 28 March 2002, 7 March 2005 and 29 July 2013 and is registered as a charity with the Charity Commission and the Office of the Scottish Charity Register. The trustees are the directors and the only members of the charity and every member undertakes to contribute a maximum of £10 in the event of the charity winding up.

Description of the way in which the charity is organised

The Board of Trustees administers the charity. The Board meets regularly and has given executive powers to the Chief Executive to administer and develop the charity. The Chief Executive reports formally to the Board at the trustee meetings.

The charity has a sub-committee; the Scientific Committee, which advises on medical, scientific and research matters, assesses research grant applications and reviews grant reports and meets annually. Advice and assistance on family, young people and educational matters is provided on a project basis, by medical professionals working across the Specialist Paediatric Liver Centres.

The charity's offices are based in Birmingham in rented accommodation. The charity has employed on average thirteen full time members of staff during the year in addition to the Chief Executive. Some public relations activity is handled on a consultancy basis.

Appointment of trustees

New trustees are recruited by the Board of Trustees for their experience and specialist skills. The trustees undertake an annual skills analysis and review the composition and skills mix against the needs of the charity and succession planning. The operational plans for 2015-16 identified that there was a need to recruit at least one new trustee to the Board and the Board is delighted to announce the appointment of Mrs Karen Redgate as of 21 June 2016. Further reviews will continue in 2016-17 with the intention of strengthening the Board.

Trustee induction and training

All new trustees are required to take part in a half-day induction session. The session covers their legal obligations under charity and company law, all aspects of the organisational policy and procedures and the current activities and plans for the charity. Trustees receive updates and further training, as required. Trustees are made aware of resources available from the Charity Commission.

Trustees hold three meetings per year, one of which is held at the CLDF offices. They formally and informally meet the full CLDF team, including volunteers, and the senior team make presentations on current work projects and progress with the operational plan. Trustees have the opportunity to question and comment.

Report of the trustees and directors for the year ended 31 March 2016 (continued)

Risk Management

The trustees review annually the risk management protocol which comprises:

- Regular review of the major risks and uncertainties which the charity may face
- The establishment of systems to mitigate operational and business risks identified in the annual review
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise
- Establishment of a reserves policy

Objectives and Activities

Objectives:

- To undertake and promote medical and scientific research relating to paediatric liver disorders and subjects related thereto including the incidence, causes, effects, diagnosis, prevention, possible cures and treatment of all such paediatric liver diseases and disorders and research into paediatric liver transplant techniques and other surgical techniques and the dissemination of such useful results of such research by all possible means and as widely as possible to all who can benefit from it and so far as possible the co-ordination of such research;
- To advance public education and awareness of paediatric liver diseases and disorders, their causes, diagnoses and treatment;
- To promote health education in subjects relating to the paediatric liver and to provide for the rehabilitation, care and relief of, and support to those who suffer from paediatric liver diseases and disorders and their families;
- To promote such research as above inter alia by creating fellowships and by making grants and providing equipment, facilities, staff and other provision for research and training in paediatric liver diseases and disorders in established paediatric hepatic centres and if thought advisable elsewhere.

Our vision is a world in which young adults and children are not limited by their liver disease; that childhood liver diseases will be understood, prevented and treated effectively, ensuring that babies, children, young people, their families and adults diagnosed in childhood achieve their full potential.

Our mission is to take action against the effects of childhood liver disease by:

- Funding vital research
- Informing and educating healthcare professionals, parents and the public on the signs and symptoms
- Campaigning to give young people and their families one strong voice
- Providing young adults, children and their families with tailored support services

In order to determine our objectives and vision, Children's Liver Disease Foundation held consultations with stakeholders and beneficiaries to develop a five year strategic plan (2015-2020). From the strategic plan an annual operational plan is formulated which is further developed into SMART departmental tactical plans designed to achieve the objectives and monitor performance.

Report of the trustees and directors for the year ended 31 March 2016 (continued)

How our activities deliver public benefit

CLDF's objectives are directed wholly at delivering public benefit.

Programme	Public Benefit
Research	<ul style="list-style-type: none"> • Advances knowledge • Encourages young talent in scientific endeavours • Improved treatments • Provides evidence base for treatment regimens • Improved patient outcomes • Improved health economics
Information	<ul style="list-style-type: none"> • High quality information available free of charge to the public and professionals • Signposting to other agencies • Packs and information to support families and young people manage their liver disease
Support	<ul style="list-style-type: none"> • Supports families and young people to cope with and adjust to life with their liver condition • Tailor made services • Innovative family, young people and children's projects to bring families together and develop peer support • Support programme for friends and relatives
Voice	<ul style="list-style-type: none"> • Campaigning for equitable services throughout the UK • Taking part in stakeholder engagement in NHS consultations • Highlighting the needs of the paediatric community in the allocation of donor organs for transplantation

Activities and Outcomes

1 Research Programme

Research lies at the heart of providing a future to children with liver disease. CLDF recognises it has an important role in contributing to and encouraging a vibrant research environment.

CLDF's Scientific Committee reviewed CLDF's research strategy and set the priorities for Paediatric liver research funding and activity 2015 – 2020.

Funds are made available through project grants, CLDF PhD student fellowships, small grants programme (up to £5,000 available per quarter) and other vehicles agreed by the Scientific Committee and Board of Trustees.

Children's Liver Disease Foundation is a member of the Association of Medical Research Charities (AMRC) and employs best practice in its peer review processes. Applications are made in line with CLDF's research strategy which is published on the website, childliverdisease.org. During 2015-2016 CLDF went through an AMRC audit to corroborate its use of best practice in the delivery of our research programme. The charity was successful in passing the audit.

Report of the trustees and directors for the year ended 31 March 2016 (continued)

1 Research Programme (continued)

- **Research impact and achievements in 2015-16**

Grants Programme

PhD Fellowship

In 2015-2016 CLDF finalised the award of a three year PhD fellowship :

- **Optimising drug regimens in paediatric liver disease using experimentally-derived simulation tools.**

Professor Rostami-Hodjegan, Manchester Pharmacy School University of Manchester

A further PhD Fellowship round has been advertised and applications received. Decisions relating to the award will be made in early 2016-2017.

Small grants programme

Eight applications were received under this programme in 2015-2016 and four were successful:

- **In vitro model for the study of tight junction protein 2 deficiency**
Dr Melissa Sambrotta, Institute of Liver Studies, Kings College Hospital
- **Public and Patient involvement for study into the recognition and response to children with GI bleeding at high risk and needing endoscopic intervention**
Dr Dalia Belsha, Leeds General Infirmary
- **A prediction score of oesophageal varices incorporating spleen stiffness**
Dr Tassos Grammatikopoulos, Kings College Hospital
- **Bilibaby: an ongoing project to develop a screening test to be able to detect bilirubin in stool to screen for childhood liver diseases**
Professor Alastair Sutcliffe, Institute of Child Health, University College London

Continuing the research programme in 2016-17

CLDF intends to finalise the award of a PhD Fellowship.

In collaboration with the British Society of Paediatric Gastroenterology, Hepatology and Nutrition (BSPHGAN) two awards of £10,000 will be made available for start-up research funding.

CLDF will make £15,000 available in the small grants programme and undertake a review of the effectiveness of the £5,000 award in comparison with the jointly funded £10,000 award to inform our strategy for 2017-2018.

CLDF will continue to increase opportunities for families and young people to learn more and be involved in research within the field, seeking funding for a CLDF Research Hub. This project will aim to increase formal patient and public involvement in the design of research projects by creating a vehicle for researchers to obtain feedback from families and young people about the projects they are developing.

Report of the trustees and directors for the year ended 31 March 2016 (continued)

2 Education and Information Programme

This programme aims to support the needs of healthcare and allied professionals, the general public as well as children and young adults (11- 24 years) with paediatric liver disease and the families affected.

CLDF provides medical and nutrition leaflets to all hospitals managing children affected by childhood liver disease. In addition, CLDF provides the liver transplant stepping stones packs to the three paediatric transplant centres. All are free of charge.

The provision of information to children, young people and their families is critical. It empowers individuals and supports them to accept and take responsibility for their liver condition. This is especially important in children who may grow up having received a transplant in infancy with no knowledge of their original diagnosis and understanding of how sick they were.

A continuing concern for professionals and CLDF is non compliance in young people and young adults; non compliance in terms of their medications and clinic attendance. This can lead to young adults becoming dangerously ill and for those with a transplant, rejection of their transplanted liver. Programmes which inform and equip young people to manage their liver disease are paramount. CLDF plays an active role in sharing activities with the specialist centres and adult units with a direct aim of reducing non-compliance.

• Education and information impact and achievements in 2015-16

Information

- A vast range of medical, nutritional and support literature all available for instant download
 - Number of leaflets distributed, including downloads – 20,673 an increase of 24% on the numbers provided in 2014-2015
- Yellow Alert website and resources
 - Number of Yellow Alert resources distributed, including downloads – 10,968
 - Visits to the Yellow Alert website- 22,658, a 23% increase on the previous year

During the year CLDF developed and launched our Yellow Alert app to develop the ongoing campaign to support health care professionals in making early referral of babies with jaundice who may have a liver condition. A number of different organisations supported the launch including the Royal College of Midwives, the British Association for Community Child Health, The Royal College of Paediatrics and Child Health and the Community Practitioners and Health Visitors Association (CPHVA). Over 1,000 apps were downloaded (1,072) between October '15 and April '16. We also worked closely with Public Health England whose involvement strengthened the appeal of the app by offering their endorsement and also promoting its release.

The project to produce a suite of literature supporting young people on their journey into adulthood is ongoing and will be completed in 2016- 2017.

Report of the trustees and directors for the year ended 31 March 2016 (continued)

2 Education and Information Programme (continued)

Information and Sharing

Our websites are a key pathway to accessing information, getting updates and making contact with us.

- Interactive website statistics
 - Number of CLDF main website hits – 170,629 a 48% increase on 2014-2015 activity
 - Number of visits to all CLDF websites including Yellow Alert – 205,806 a 40% increase on the previous year
 - Number of CLDF website visitors – 140,062 a 50% increase on 2014-2015 activity

"thank you for sending me the information pack. The information leaflets are particularly useful as it clarifies any confusions I had - I have never received anything before that has clarified everything I wasn't sure on, so thank you!!"
a newly diagnosed young person

"We would like to thank CLDF for the information that was available. It helped us to make sense of what was happening at a time when everyone seemed to be talking in very medicalised terms that we knew nothing about." Parent

Conferences

- We continue to attend a number of professional conferences. We do this to raise awareness of our services and to raise awareness of our Yellow Alert Campaign, helping professionals to spot the signs of liver disease in newborn babies.

Creating awareness of childhood liver disease

- During the year CLDF has maintained a robust awareness programme based upon family stories, promoting fundraising initiatives and responding to topical stories. Wherever possible, CLDF seeks opportunities to partner with other organisations to mutual advantage.

Outcomes of the press activity are:

- 71 press releases were issued
- 353 press cuttings were generated
- During the year we were successful yet again in securing a number of high profile articles in national newspapers and journals

Continuing the education and information programme in 2016-17

- A new Information Review Panel will be set up in order to simplify and speed up the information production process. The panel will consist of individuals who are happy to volunteer to read through and review our new information in the user testing phase. We will recruit a minimum of 30 individuals to the panel this year.
- The first ever National Conference with an overnight stay will be delivered in September 2016.
- The information leaflets will be redesigned in order to ensure a consistent design and branding across all CLDF information resources. The first leaflets produced using the new design will be produced before the end of the year.

Report of the trustees and directors for the year ended 31 March 2016 (continued)**3 Supporting families and young people**

A diagnosis of childhood liver disease means a lifetime of medical care. Families, children and young people need to adapt to their new lifestyle but uncertainty always exists. A diagnosis of liver disease has a huge impact upon the child, family, extended family, friends and work colleagues. The journey is individual. CLDF's role varies according to needs from helping families to find their new normality to supporting young people to take responsibility for their liver disease/transplant and ultimately transfer into adult services.

The range of services offered by CLDF includes:

- Comprehensive family and young peoples' events programme
- Residential projects for young people
- CLDF Websites; childliverdisease.org and cldf-focus.org
- Access to CLDF educational services
- One to one personal support; email, phone, hospital clinic and ward visits and Skype
- Introductory Packs and literature such as Liver Life
- Electronic communications
- Health Unlocked – CLDF's forum
- Social networking

"I would just like to say thank you so much for helping me and my family through such a difficult time without your help and support I don't know what we would have been like. We have an extra special little girl and I am sure when she's older she will also stop by to give her thank yous. To think how much of a hard time we had at the start of her life and to come out of that knowing we met such beautiful and helpful people like yourselves is a credit to you all". From a parent who received support in 2015

Family and Young Peoples' services impact and achievements in 2015-16**▪ Hospital ward and clinic visits**

The families and young peoples' teams have continued to increase their presence in hospitals attending 96 clinics across the country a 35% increase on the previous year. Visits have taken place at the following hospitals

- Birmingham Children's Hospital
- King's College Hospital, London
- Leeds General Infirmary
- Queen Elizabeth Hospital, Birmingham
- Edinburgh Royal Hospital for Sick Children
- Royal Hospital for Sick Children, Glasgow
- Royal Aberdeen Hospital for Children
- Southampton General Hospital
- University Hospital of Wales, Cardiff
- Bristol Royal Hospital for Children
- Royal Belfast Hospital for Sick Children
- Addenbrookes Hospital, Cambridge
- Derriford Hospital, Plymouth
- St James Hospital, Leeds

Report of the trustees and directors for the year ended 31 March 2016 (continued)**3 Supporting families and young people (continued)**

- Support and Contact with Families and Young People has increased during the year.
 - 943 young people between 11 and 24 had contact / support with CLDF during the year - an 18% increase on the previous year.
 - The support team also had 2978 contacts with parents, friends and relatives a slight increase on the previous year

Family Events

We changed the focus of the events programme during 2015-2016 by introducing Family weekends into our programme.

Events included Bowling days, Picnics, Family Days and Family weekends. A total of 11 events took place.

Scotland Family Weekend

- Our first Family Weekend in Scotland took place at Hampden Park. The CLDF team and healthcare professionals from the Royal Hospital for Children (Glasgow), Royal Hospital for Sick Children (Edinburgh) and Royal Aberdeen Children's Hospital, supported by one of our young people delivered a day of talks. Topics ranged from transition to the basics of the liver, liver function tests and play therapy. While parents took in a wealth of information, the young people were taken on a tour of the stadium and learnt all about its history. They took the chance to meet peers with similar conditions, whilst learning all about CLDF's services. Opportunities to network continued into the evening at the shared meal and concluded with a trip to Glasgow's Science Centre on the Sunday. Twenty four families took part their first event, and in total 86 children and adults attended.

Northern Ireland Family Weekend

- The first weekend in Northern Ireland took place at Todd's Leap Activity and Conference Centre. Alongside the CLDF team families were able to share and network whilst taking part in fun and challenging activities over the two days which included archery, zip wire, off roading and treasure hunts. A communal evening meal and evening of entertainment proved very popular. A total of 13 families took part, 68 children and adults came to the event.

Remembrance and Celebration Service/Picnic

- CLDF's Remembrance Service and Family picnic was held on Sunday 23rd August 2015 at the National Memorial Arboretum. Staff and families who attended found the day to be very special, with readings, a celebratory service and the release of doves at our memorial tree.

Report of the trustees and directors for the year ended 31 March 2016 (continued)**3 Supporting families and young people (continued)****Residential Activities for young people:**

- **Wild Camp (children aged 11 years and over, accompanied by a parent/ carer)**

We held our third Weekend Wild Camp in August 2015 attended by 10 pairs of young people and parent carers.

In the middle of a Oxfordshire woodland the groups faced a 24 hour bushcraft survival experience alongside other young people and parents affected by childhood liver disease.

- **Closer to the Edge (children aged 12 – 15)**

Closer to the Edge is an outdoor project aiming to enable young people with liver disease to meet others, be independent, develop team working skills, increase their confidence and self- esteem and have fun. Run in July 2015 for the sixth time, the experience was rated positively by all who took part

- 16 young people attended.

"My self-esteem has improved dramatically, I can do stuff that before the trip I don't think I would have contemplated. I am a lot more positive in my nature thanks to the trip."

" she came home a more positive young girl with a new determination to be more open and honest about her condition. She has gained so much confidence and in turn wants to help others." A 2015 parent

- **Talk, Tell, Transform (young people aged 16 and over)**

Talk, Tell, Transform is a specially designed residential workshop for young people which enables them to talk about their liver condition and its effect on their lives. Sharing with other young people who know what it is like they tell their stories and create a three minute video using digital media. This year is the fifth year we have run the project, which has been significantly developed by the team. Children in Need generously supported the costs of the project.

For the first time in 2015 we held our second reunion for past participants of Talk, Tell, Transform (TTT). The residential weekend took place in Whitemoor Lakes activity centre and was attended by 20 young people. The weekend provided opportunities to continue to develop the peer network established during the original projects and help give further insights into how CLDF should develop projects for young people.

2016 Talk, Tell, Transform

- 12 young people attended the residential in February 2016.
- 10 DVD stories are on CLDF's website helping other young people and families.
- The activity was highly successful and young people reported they had made life-long friends and for some it was a truly life changing experience.

Feedback from 2016 participants

"You know how people say things are life changing, but you might not believe it, but it actually was. The people were amazing."

Report of the trustees and directors for the year ended 31 March 2016 (continued)

3 Supporting families and young people (continued)

Residential Activities for young people (cont.)

"The experience on the whole has put my life into perspective really, I just feel more chilled out about everything It's had a massive impact to be honest. Before on the liver things I used to ignore it and forget about it and go about my day - but now I feel strong about it - it's become part of my routine and I feel happy about speaking to people, doctors and others about it"

In addition to our residential programme our work with young people has continued to develop during the year.

Young Persons Social Network site and Young Ambassadors programme

CLDF Hive is a moderated social network site created during 2015-2016 by CLDF with young people and for young people aged 11-25 years who have a liver condition or transplant. It's a secure site for young people with a liver condition to meet no matter where they live in the UK. There are hosted live chats, and ways to find people who share the same condition or hospital. There are groups to join, opportunities to seek help or advice, and there's a great blog section where young people can add their blog and read others. As part of the project we enlisted the support of a group of young people to help us run the site. The first wave of CLDF ambassadors have been trained and supported to work with us in running and moderating the site, they all have liver conditions or a transplant. www.cldfhive.co.uk

Since launching on 30th November 2015 (to end of March) 135 members have joined the site. 2237 private chat messages have been sent. 243 friendships made and 1730 sign ins, which has exceeded our expectations.

Continuing the family and young peoples' programme in 2016-17

- We will provide family weekends in Scotland and Northern Ireland, to enrich family peer networking opportunities, in addition to our single day events. A review of the programme will take place in 2016-2017 to inform our ongoing strategy.
- We will continue to provide our young persons' residential programme and will learn from them how they wish us to develop our provision.
- We will support the development and launch of an app to support young people through transition from children's to adult services and support self-care and management
- In 2016-2017 we will ensure online networking opportunities for families are maximised through development of our healthunlocked forums.
- Continue to develop the relationship between CLDF and hospital staff to promote joint working and referral pathways for our support and information services.

Report of the trustees and directors for the year ended 31 March 2016 (continued)**4 Voice**

The needs of the families, children and young adults diagnosed in childhood remains at the heart of CLDF's work. Representing their needs has become an increasing role for CLDF over the past decade. Ensuring services are configured to give equity of access and treatment is vital. This lies at the heart of CLDF's voice programme.

Voice programme impact and achievements in 2015-16

- **Development of Yellow Alert Campaign**
 - During the year we have continued to focus on raising the profile of our Yellow Alert campaign with primary health care professionals.
- **Supporting Standard Setting and Improving Practice**
 - Input into various NICE guidelines and updates, including Non Alcoholic Fatty Liver Disease (NAFLD), Transition from children's to adults' services and Highly Specialised Technology Evaluations.
 - Continuing work with The Lancet Commission, 'Addressing liver disease in the UK.' The CEO continues work as a commissioner, focusing on supporting the implementation of the recommendations, lobbying for change and raising awareness of the needs of the paediatric and transitioning population.
- **Representing Paediatric Liver Disease and the needs of patients**
 - During 2015-2016 we have continued to develop relationships with a number of professional and public bodies to support awareness and the needs of our young people and families.
 - We have ensured during the year that we have given our families and young people the opportunity to get directly involved in the evaluation of national policies and developments through digital channels.
 - Campaigning work has been undertaken throughout the year to highlight the need for universal vaccination against Hepatitis B. A decision on the inclusion of Hepatitis B in the childhood immunisation schedule is due to be made in 2016-2017.
 - Our CEO is joint chair of the Liver Patients Transplant Consortium and is actively involved in reviewing plans for new liver allocation systems.
 - We are an active member of the British Society for Paediatric Hepatology Gastroenterology and Nutrition PPP forum and the CEO is the current charity representative on the council.
 - During 2015-2016 CLDF came together with other organ related charities to discuss the need for a joint approach to our work in increasing the consent rate for organ donation across the UK. This very exciting work will continue over the coming year.
 - Member of the Liver Steering Group for Paediatric services, alongside clinicians from the Specialist units, to support national service development.
 - Active member of the implementation group for Welsh National Liver Strategy.
 - During the year we have continued to strengthen our relationship with NHSBT, took an active role in National Transplant Week and sponsored and attended the British Transplant Games for the second time.
 - We have utilised national awareness campaigns and members of coalitions to highlight the needs of our beneficiaries eg. Rare Disease UK, Specialised Healthcare Alliance and National Voices.

Report of the trustees and directors for the year ended 31 March 2016(continued)**4 Voice (continued)****Continuing the voice programme in 2016-17**

In addition to the ongoing areas of work highlighted above;

- We will continue to work with organ related charities to develop a specific campaign that all charities will use to ensure coordinated messaging to support increased consent rates for organ donation.
- Increase the intensity of campaigning for the inclusion of Hepatitis B coverage in the childhood immunisation programme and
- Continue to explore new ways to glean feedback from our beneficiaries to support our policy and representation work.
- In our communications and awareness raising, we will broaden our range of activity, incorporating the voices of our families and young people wherever possible
- Explore how we can develop our Yellow Alert campaign for different audiences
- Respond to key issues as they arise.

Fundraising

Fundraising underpins the work of the Foundation and includes a wide ranging portfolio of activities. In excess of 78% of CLDF's income is generated from individual supporters; significant revenue is gained from sponsored activities including the London Marathon and Great North Run.

CLDF held its ninth **Big Yellow Friday** on 4 March 2016. This raised in excess of £80,000 and we were delighted to be able to secure sponsorship from NEXT. Thousands of people took part in events across the UK and nearly half of these were from new supporters. Unfortunately the event did not yield the income expected. However the 10th birthday year in 2017 provides us with an opportunity to celebrate and maximise this income stream.

During 2015 – 2016 we received donations from 45 charitable trusts totalling £67,704. We were unsuccessful in securing funding from Children in Need for our Talk, Tell, Transform project which meant that trust income was reduced compared with 2014/15. Donations of £5,000 or more were received from the following trusts:

- The Eveson Charitable Trust £5,144
- The Souter Charitable Trust £5,000
- The Raymond Blanche Lawson Charitable Trust £5,000
- The PF Charitable Trust £5,000
- The Worshipful Company of Actuaries Charitable Trust £5,000

Regular gift income remains stable . During 2015/16 45 new regular gifts were set up and we ran a matched giving campaign in September. The full impact of these gifts will not be seen until 2016/17.

We continued to develop our portfolio of challenge events which included places in the Prudential Ride London which raised £13,583. This is something we will continue to build on in 2016/17.

Report of the trustees and directors for the year ended 31 March 2016(continued)**Fundraising (continued)**

We had a successful partnership with Jutexpo who through their charity of the year activities raised £20,000. We developed strong relationships with a number of corporate and community partners and this will continue to be a priority in 2016/17.

Freddies Ball, held in July and organised by the McDonald family raised over £24,000.

Our incredible supporters underpin all of our work. We have continued to review income streams and identified a number of areas for growth as well as opportunities for developing new products and initiatives. We launched our Sunshine Tribute Fund, an online area where families can remember a loved one and raise funds for CLDF as well as "Your Funds" encouraging longer term support and commitment by setting up a fund and raising funds for a specific aspect of work.

Continuing the development of income generation in 2016-17

During 2015-2016 we have reviewed a variety of initiatives and income sources. As a result, during 2016-2017 we will;

- Develop our challenge events programme and increase the number of supporters undertaking challenge events.
- Maximise income from Big Yellow Friday 2017, as the 10th anniversary year.
- Build on our trust and grants income, seeking multiyear funding opportunities.
- Test and develop new community fundraising initiatives and campaigns
- Hold our own CLDF led challenge event
- Continue to focus on creating and developing relationships with corporate supporters and attract two new substantial corporate partnerships.
- Deliver our 2017 Chefs Gala Dinner, to be held at the Dorchester, London on 20th March 2017

Financial Review

- The charity prepares an annual business plan and budget and produces monthly management accounts and makes quarterly reports to the trustees. Close financial monitoring has ensured that overheads were contained within budget and in line with changing income levels.
- Excluding the Chefs Gala Dinner income has decreased against 2015 (2016 £721,695 2015 £740,381) by 2.5%. This reflects the challenging economic environment charities are operating within. As outlined in the Fundraising section of this report the charity has been and will continue to develop streams of income.
- The principal funding sources were voluntary income of £692,251 of which £22,887 was received from the Family Life Club and £8,688 from legacies. The Board has decided to end the contract with the Family Life Club after a long association with this commercial enterprise and wishes to record its appreciation for the income received over the years.
- The charity was fortunate to receive in 2012/13 the amount of £725,000 which the Board designated to strengthen the fundraising directorate and develop the charitable activities. The designated fund has £46,837 remaining at 31 March 2016. The charity has undertaken reviews of its charitable activities and the infrastructure underpinning its work and going forward has planned for returning to producing a small annual surplus.

Report of the trustees and directors for the year ended 31 March 2016 (continued)**Financial Review (continued)****Investment Policy and Returns**

- Under the Memorandum of Articles of Association, the charity has the power to invest in any way the trustees wish. The trustees consider that their investment policy should recognise the need for protection of capital, a good level of income and liquidity. Accordingly, investments are held in short and medium dated fixed income securities.
- The trustees also require a level of liquidity to be maintained to cover the funding of projects. Therefore, available funds are kept in interest bearing deposit accounts and term accounts to maximise resources. Investments are reviewed by the trustees as needed but on an annual basis, as a minimum.

Reserves

- The trustees have established the level of reserves (those funds that are freely available) that the charity ought to have.
- It is the policy of the trustees to ensure, as far as possible, that the free reserves in the unrestricted fund (excluding designated funds) are sufficient to cover six months' core expenditure. The trustees, therefore, consider that, based on the 2016-17 budget, the ideal level of reserves at 31st March 2016 would be £405,000.
- The actual unrestricted fund at 31st March 2016 is £406,277. This level of reserves will enable CLDF to continue to provide services to families and young people and to continue to fund research projects despite the challenging times that are expected to persist.

Explanation of voluntary help and donations in kind

Children's Liver Disease Foundation has numerous volunteers around the country supporting the work of the charity by fundraising and promoting the charity. It also has regular office volunteers who contribute greatly to the work of the charity and has initiated a project of training clinic volunteers. The trustees wish to record their appreciation of the tremendous support the volunteers provide.

Pay policy for senior staff

The trustees consider the Board of Directors, who are the charity's trustees, is in charge of directing the charity.

The chief executive and senior management team comprise the key management personnel and are in charge of controlling, running and operating the charity on a day to day basis. No director received remuneration or expenses in the year. There were not any related party transactions in the year (see note 11).

The pay of senior staff is reviewed annually and normally reflects increases in the retail prices index and average earnings, although pay freezes have on occasion been implemented. In view of the size and location of the charity pay is benchmarked (lower to mid-point) against similar sized charities in similar areas.

Report of the trustees and directors for the year ended 31 March 2016 (continued)**Trustees' Responsibilities****Directors and Trustees**

All directors of the company are also trustees of the charity and there are no other trustees.

Trustees can appoint additional trustees if they consider it appropriate to do so. A new trustee, Mrs Karen Redgate, was appointed on 21st June 2016.

The trustees retiring by rotation at the next Annual General Meeting are K Redgate, G Sugden and M Everard who, being eligible, offer themselves for re-election.

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the financial activities of the group and the charity and of its financial position at the end of the year. In preparing these financial statements, the directors are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue.

Statement as to disclosure of information to auditor


So far as the directors are aware at the time of approving our annual report

- There is no relevant audit information, being information needed by the auditor in connection with preparing the audit report, of which the company's auditor is unaware, and
- The trustees, having made enquiries of fellow directors and the auditor have taken all steps that he or she is obliged to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

A resolution proposing the re-appointment of Stephen W Jones FCA as auditor in accordance with the Companies Act 2006 will be put to the Annual General meeting.

By Order of the Trustees



Mr T M Ross OBE

Chairman

16 September 2016

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and groups.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES AND MEMBERS OF CHILDREN'S LIVER DISEASE FOUNDATION

I have audited the financial statements of Children's Liver Disease Foundation for the year ended 31 March 2016 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Cash Flow Statement and the related notes on pages 23 to 35. 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 and group's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. My audit work has been undertaken so that I might state to the trustees and members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and group and their trustees and members as a body, for my audit work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

I 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.

My 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 me to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's and group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my 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 31 March 2016 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 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).

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which I am required to report by exception

I have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received by branches not visited by me; 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
- I have not received all the information and explanations I require for my audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirements to prepare a Strategic Report or in preparing the Report of the Trustees.

Stephen W Jones (Senior Statutory Auditor)
For and on behalf of Stephen W. Jones F.C.A.
Statutory Auditor, Chartered Accountant & Registered Auditor
King Edward House 82 Stourbridge Road, Halesowen
West Midlands B63 3UP
16 September 2016

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) YEAR ENDED 31 MARCH 2016

	Note	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total 2016 £	Total 2015 £
INCOMING RESOURCES						
Income						
Donations and legacies	4	635,997	-	56,254	692,251	688,133
Trading activities	4	11,741	-	-	11,741	28,651
Investments	4	17,585	-	118	17,703	23,597
Other - events	4	-	-	-	-	96,787
Total Incoming Resources		665,323	-	56,372	721,695	837,168
RESOURCES EXPENDED						
Costs of raising funds						
Raising Funds		190,179	49,445	-	239,624	219,348
Trading activities		6,761	-	-	6,761	16,392
Events		-	-	-	-	34,976
Total		196,940	49,445	-	246,385	270,716
Charitable activities						
Education and awareness campaigns	5	228,862	19,681	6,500	255,043	321,557
Provision of emotional support	5	184,468	84,941	51,608	321,017	304,705
Research grants and expenditure	5	121,245	10,000	10,145	141,390	185,309
Total		534,575	114,622	68,253	717,450	811,571
Total expenditure		731,515	164,067	68,253	963,835	1,082,287
Net (losses) / gains on investments	14	(7,471)	-	-	(7,471)	10,354
Net (expenditure) and net movement in funds for the year		(73,663)	(164,067)	(11,881)	(249,611)	(234,765)
Reconciliation of funds						
Total funds brought forward at 1 April 2015		479,940	210,904	79,186	770,030	1,004,795
Total funds carried forward at 31 March 2016		406,277	46,837	67,305	520,419	770,030

The notes on pages 23 to 35 form part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year.

All the above results are derived from continuing operations of the charity.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2016

	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	13	25,690		45,952	
Investments	14	251,446		258,917	
Total Fixed Assets		<u>277,136</u>		<u>304,869</u>	
Current assets					
Stock and inventory	15	8,727		16,230	
Cash and short-term deposits	16	772,981		1,106,796	
Debtors due within one year	17	107,564		145,751	
Total Current Assets		<u>889,272</u>		<u>1,268,777</u>	
Liabilities					
Creditors due within one year	18	<u>469,239</u>		<u>700,659</u>	
Net Current assets			<u>420,033</u>		<u>568,118</u>
Total assets less current liabilities			<u>697,169</u>		<u>872,987</u>
Creditors : falling due after more than one year	19	176,750		102,957	
Net assets			<u>520,419</u>		<u>770,030</u>
The funds of the charity:					
Restricted income funds	22	67,305		79,186	
Unrestricted income funds	22	406,277		479,940	
Designated Funds	22	46,837		210,904	
Total Funds		<u>520,419</u>		<u>770,030</u>	

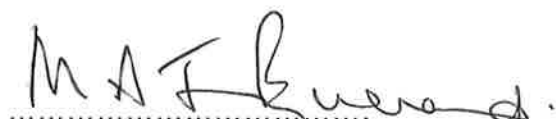
The trustees have prepared group accounts in accordance with the Companies Act 2006, s.398 and the Charities Act 2011, s.138. These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and groups and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 23 to 35 form part of these financial statements.

Signed on behalf of the Trustees on 16 September 2016



Mr T M Ross OBE



Mrs M Everard

BALANCE SHEET OF THE CHARITY AS AT 31 MARCH 2016

	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	13	25,690		45,952	
Investments	14	251,448		258,919	
		<u>277,138</u>		<u>304,871</u>	
Current assets					
Stock and inventory	15	8,727		16,230	
Cash and short-term deposits	16	772,979		1,094,707	
Debtors due within one year	17	107,564		156,878	
		<u>889,270</u>		<u>1,267,815</u>	
Current liabilities					
Creditors due within one year	18	469,239		699,699	
Net current assets		<u>420,031</u>		<u>568,116</u>	
Total assets less current liabilities		<u>697,169</u>		<u>872,987</u>	
Creditors due after more than one year	19	176,750		102,957	
Net assets		<u>520,419</u>		<u>770,030</u>	
Represented by					
Restricted Funds	22	67,305		79,186	
Unrestricted Funds	22	406,277		479,940	
Designated Funds	22	46,837		210,904	
Total Funds		<u>520,419</u>		<u>770,030</u>	

The trustees have prepared group accounts in accordance with the Companies Act 2006, s.398 and the Charities Act 2011, s.138. These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and groups and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 23 to 35 form part of these financial statements.

Signed on behalf of the Trustees on 16 September 2016



Mr T M Ross OBE



Mrs M Everard

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDING 31 MARCH 2016

	Note	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Cash used in operating activities	24	(348,159)	(254,078)	(348,159)	(259,050)
Cash flows from investing activities					
Interest Income		17,703	23,597	17,703	23,597
Disposal of investments		-	55,412	-	55,412
Purchase of investments		-	(57,410)	-	(57,410)
Purchase of tangible fixed assets		(3,359)	(57,121)	(3,359)	(57,121)
Cash provided by (used in) investing actions		14,344	(35,522)	14,344	(35,522)
Increase (decrease) in cash and cash equivalents in the year		(333,815)	(289,600)	(333,815)	(294,572)
Cash and cash equivalents at the beginning of the year		1,106,796	1,396,396	1,106,794	1,389,279
Total cash and cash equivalents at the end of the year		772,981	1,106,796	772,979	1,094,707

NOTES TO THE FINANCIAL STATEMENTS**1 Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation in the preparation of the financial statements are as follows:

a) Basis of accounting

Children's Liver Disease Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements of the charitable company and group have been prepared in accordance with the Charity SORP (FRS102) '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 the Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

A separate income and expenditure account has not been included because the Charity does not have endowment funds.

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The trustees consider that no restatements were required.

c) Preparation of the accounts on a going concern basis

The foundation reported a net deficit of £249,613 mainly due to the use of the designated fund to develop services and fundraising capacity. The trustees have reviewed the five year strategy report, the budgets for 2016-17 incorporating the results of these developments and the reduction in some operating costs and on these bases they consider that the charity is a going concern.

d) Group financial statements

At 31 March 2015 the charity's wholly owned subsidiary, CLDF Trading Ltd, had returned to profit and the trustees, therefore, decided to transfer the trading activities to the charity from 01 April 2015. CLDF Trading Ltd is a dormant company.

The financial statements for the year to 31 March 2016 consist of the charity's SOFA, a consolidated balance sheet for the charity and its dormant subsidiary, and a balance sheet for the charity. The comparative financial statements comprise Children's Liver Disease Foundation (the Charity) and its trading subsidiary, CLDF (Trading) Limited, (the Group). The summarised profit and loss account and balance sheet of CLDF (Trading) Limited are given in note 7.

NOTES TO THE FINANCIAL STATEMENTS**1 Accounting Policies (continued)****e) Funds**

The charity's funds consist of unrestricted, restricted and designated amounts. Unrestricted amounts are available to spend on activities that further the charitable activities of the charity, and these can include designated funds. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes. Designated funds represent unrestricted income which the charity's trustees have allocated for a particular purpose.

f) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which the estate account is finalised or the cash is received. Receipt of a legacy is considered probable when the amount can be measured reliably and the charity has been made aware of the executor's intention to make a distribution. If the charity is aware of a significant legacy but the criteria for income recognition have not been met the legacy would be disclosed as a contingent asset.

Income received in advance of an event or a charitable activity is deferred until the criteria for income recognition are met.

Interest on funds held on deposit or from investments is included when receivable and can be measured reliably by the charity; this is normally upon receipt.

g) Donated services

Donated goods and professional services are recognised as income when the charity has control over the item; the receipt of economic benefit is probable and can be measured reliably.

On receipt, these are included at an amount equivalent to that which the charity would have to pay to purchase the donated item on the open market; a corresponding amount is recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102) general volunteer time is not recognised – the trustees' annual report refers to their contribution.

h) Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS**1 Accounting Policies (continued)**

Expenditure is allocated to the relevant activity categories as follows:

- **Costs of raising funds** include costs relating to activities where the primary aim is to raise funds and the associated support costs. The cost of communications and fundraising staff has been allocated 75% and 25% respectively to "education and public awareness" within charitable activities.
- **Costs of charitable activities** include all costs relating to education and awareness campaigns, provision of emotional support and research grants and expenditure including the associated support costs.
- **Other expenditure** represents those items not included in any other heading
- **Research projects** are included for the full value (in accordance with the Charities SORP FRS 102) at the point at which a project is accepted for funding by the trustees. Where it has been agreed with the research institution that no further claim will be made in respect of the approved expenditure, unexpended balances are brought back into the appropriate funds

i) Allocation of support costs

Support costs are those functions that assist the charity in raising funds and delivering its charitable activities. Support costs include property, information technology, administration, personnel, finance, payroll and governance costs. The bases on which support costs have been allocated are set out in note 6.

j) Tangible fixed assets and depreciation

Tangible fixed assets are included at original cost (or, if donated, the value at the date of receipt). Assets below the value of £150 are not capitalised.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their estimated economic useful lives, as follows:

Computer equipment	25 - 33% straight line
Office equipment	20 - 33% straight line

k) Investments

Investments are stated at mid-market value at the year end.

Net realised and unrealised investment gains or losses for the year are disclosed in the statement of financial activities.

NOTES TO THE FINANCIAL STATEMENTS**1 Accounting Policies (continued)****l) Stock**

Stock is included at the lower of cost and net realisable value, due allowance being made for obsolete items.

Stock consists of educational literature available to families and healthcare professionals and goods purchased for resale.

m) Operating Leases

The charity classifies the lease of the office, broadband and photocopier / printer as operating leases; the title to the equipment remains with the lessor and the machine is replaced every four years whilst having an economic life in excess of that.

Operating lease payments are written off in the statement of financial activities in the period in which they are incurred.

n) Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term deposits with a maturity date of less than twelve months from the opening of the deposit.

p) Creditors

Creditors and provisions are recognised where the charity has a current obligation resulting from a previous event that will probably result in a payment to a third party and the amount can be measured or estimated reliably.

Research grants usually are for periods of two to three years and the value of the grants have been included at the agreed amounts and have not been discounted for their future values as this would not be material.

q) Financial instruments

The charity's financial assets qualify as basic financial instruments and are recognised at transaction value.

r) Pension

In January 2015 the charity set up a defined contribution pension scheme operated by Royal London which employees are entitled to join upon completing one year's service. The employer matches the employee's contribution to a maximum of 4% of salary. The charity acts as an agent in collecting and paying over employee pension contributions. The contributions made for the financial year are treated as an expense and amounted to £6,024 (2015 £1,565).

The scheme qualifies as suitable for automatic enrolment and will be used when the charity's staging date of 01 January 2017, is reached.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies (continued)**r) Pension (continued)**

In December 2013 an individual defined contribution pension scheme for the chief executive was set up. The contributions amounted to £6,300 (2015 £6,248).

s) Transition to FRS 102

The transition date was 01 April 2014. The opening fund balances did not require any restatement in making the transition to FRS 102.

2 Legal status of the charity

The company is a private company limited by guarantee governed by its Memorandum and Articles of Association dated 27 August 1997, amended on 28 March 2002, 7 March 2005 and 29 July 2013 and is registered as a charity with the Charity Commission and the Office of the Scottish Charity Register.

The trustees are the only members of the charity and every member undertakes to contribute up to a maximum of £10 in the event of the charity winding up.

3 Financial performance of the charity

The statement of financial activities for the year 31 March 2016 is for the charity only, but the comparative year is a consolidated statement including the results of the charity's wholly owned subsidiary which ran the trading activities. From 01 April 2015 the trading activities were transferred to the charity and the subsidiary is dormant.

4 Incoming Resources Notes

	2016			2015		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
Incoming Resources	£	£	£	£	£	£
Donations & legacies						
Donations	592,672	300	592,972	539,909	-	539,909
Donations from Family Life Club	22,887	-	22,887	25,775	-	25,775
Charitable Trusts	11,750	55,954	67,704	8,535	77,534	86,069
Legacies	8,688	-	8,688	36,380	-	36,380
	635,997	56,254	692,251	610,599	77,534	688,133
Trading activities						
Sales of merchandise	11,741	-	11,741	28,651	-	28,651
Investments						
Listed securities - UK	12,763	-	12,763	13,347	-	13,347
Bank interest	4,822	118	4,940	10,064	186	10,250
	17,585	118	17,703	23,411	186	23,597
Other - events						
Chefs Gala Dinner	-	-	-	89,537	7,250	96,787
Total	665,323	56,372	721,695	752,198	84,970	837,168

NOTES TO THE FINANCIAL STATEMENTS

5 Analysis of expenditure on charitable activities

	Education and awareness campaigns	Provision of emotional support	Research grants and expenditure	Total
	£	£	£	£
Main Grant Programme	-	-	100,460	100,460
Small grants programme	-	-	23,753	23,753
Working with beneficiaries and stakeholders	56,383	96,063	-	152,446
Medical Conferences	11,386	-	-	11,386
Communications, awareness, representation and campaign activity	71,256	11,928	2,008	85,192
Provision of information via literature and packs	44,697	-	-	44,697
Family Event programme	-	57,287	-	57,287
Residential activities for young people	-	39,136	-	39,136
Attendance at hospital clinics	-	40,072	-	40,072
Support costs (note 6)	58,753	62,169	13,373	134,295
Governance costs (note 6)	12,568	14,362	1,796	28,726
Total	255,043	321,017	141,390	717,450

Expenditure on charitable activities was £717,450 (2015: £811,571) of which £649,197 was unrestricted (2015: £713,001) and £68,253 was restricted (2015: £98,570).

NOTES TO THE FINANCIAL STATEMENTS

6 Analysis of governance and support costs

The charity identifies the costs of both the support and governance functions and these are apportioned across the three charitable activities and the costs of raising funds on the relevant bases (see below).

	Charitable Outcomes			Income generation	
	General Support Costs	Governance Support Costs	Total Support Costs	Fundraising Support Costs	Basis of allocation
	£	£	£	£	
Salaries and related costs	22,897	19,854	42,751	14,858	On time allocation
Property	49,543	-	49,543	12,386	Occupancy
I T	30,086	-	30,086	7,521	Staff numbers
General Office	31,769	-	31,769	7,942	Occupancy
Audit	-	4,240	4,240	-	Governance
Legal & other professional fees	-	4,632	4,632	2,218	Staff numbers
Total	134,295	28,726	163,021	44,925	

7 Net income from trading activities

The charity has one dormant wholly owned subsidiary, CLDF (Trading) Limited, which is incorporated in the UK and registered in England. The accounts are filed at Companies House. The trading activities were transferred to the charity from 01 April 2015 and are included in the SOFA. A summary of the comparative financial position is given below:

	2015 £
Turnover	28,651
Cost of Sales	15,202
Gross profit	13,449
Administration expenses	1,190
Net Operating Profit	12,259
Surplus transferred to parent charity	(9,225)
(Loss) brought forward	(3,034)
Net (loss) retained	0

The trading company became dormant from 01 April 2015.

Summarised balance sheet of CLDF (Trading) Limited	2016 £	2015 £
Current assets	2	12,089
Creditors: amounts falling due within one year	0	(12,087)
Net Assets / (Liabilities)	2	2
Called up share capital	2	2
Profit and loss account	0	0
	2	2

NOTES TO THE FINANCIAL STATEMENTS**8 Net incoming resources**

	2016 £	2015 £
Net incoming / outgoing resources are stated after charging:		
Depreciation on owned assets	23,621	24,207
Auditor's remuneration for the statutory audit	4,240	5,999
Operating leases	<u>59,234</u>	<u>54,000</u>

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

	2016 £	2015 £
Salaries	438,271	441,225
Social security costs	40,766	41,300
Pension costs (defined contribution schemes)	12,304	7,811
	<u>491,341</u>	<u>490,336</u>

Pension costs are allocated to the activity that the staff are engaged in and are charged to the unrestricted fund.

The key management personnel of the charity are the Chief Executive Officer, the Support Team Manager, the Head of Fundraising and the Finance Manager.

The total of employee benefits of key management personnel of the charity were £191,629 (2015: £196,282).

10 Staff Numbers

The average monthly number of employees during the year was 15 (2015 : 16) and the average number of full-time equivalent employees during the year was:

Average number of employees by category:	2016 No	2015 No.
Family Support	4	4
Information & Raising Awareness	3	3
Research	1	1
Raising Funds	4	4
Infrastructure	2	2
	<u>14</u>	<u>14</u>

The trustees were not paid nor received any emoluments or benefits during the year (2015 £Nil). Neither were the trustees reimbursed for their expenses in the year (2015 £Nil).

The number of employees whose emoluments including pension, benefits in kind and expenses were in excess of £60,000 disclosed in bands of £10,000 were as follows:-

	2016 No.	2015 No.
£70,001 - £80,000	<u>1</u>	<u>1</u>

11 Related party transactions

The charity has one subsidiary, CLDF (Trading) Limited (company registration number 01584165). From 01 April 2015 the trading activities were transferred to the charity and the subsidiary is dormant.

The charity does not have any related party transactions.

NOTES TO THE FINANCIAL STATEMENTS

12 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent these are applied to its charitable objects.

13 Tangible fixed assets

	Computer Equipment £	Office Equipment £	Total £
Group & Charity			
Cost			
As at 1 April 2015	79,612	44,221	123,833
Additions	1,159	2,200	3,359
Disposals	-	(12,395)	(12,395)
At 31 March 2016	80,771	34,026	114,797
Depreciation			
At 1 April 2015	50,435	27,446	77,881
Charge for the year	18,381	5,240	23,621
Disposals	-	(12,395)	(12,395)
At 31 March 2016	68,816	20,291	89,107
Net book value			
At 31 March 2016	11,955	13,735	25,690
At 31 March 2015	29,177	16,775	45,952

14 Investments**Charity**

Shares in subsidiary	2016	2015
Cost	£	£
At 1 April 2015 and at 31 March 2016	2	2

The investment in the subsidiary company represents 100% of the ordinary issued share capital of CLDF (Trading) Limited, a company incorporated in the UK and registered in England.

Group and Charity**UK quoted - Fixed interest bonds**

	2016	2015
	£	£
Market Value at 1 April 2015	258,917	249,649
Disposals	-	(55,412)
Purchases	-	57,410
Net unrealised (losses) / gains	(7,471)	7,270
Market value at 31 March 2016	251,446	258,917
Profit on disposal of investments	-	3,084
Historical cost as at 31 March 2016	230,793	230,793

NOTES TO THE FINANCIAL STATEMENTS

15 Stock and inventory

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Stock of literature	5,417	11,137	5,417	11,137
Goods for resale	3,310	5,093	3,310	5,093
	<u>8,727</u>	<u>16,230</u>	<u>8,727</u>	<u>16,230</u>

16 Analysis of cash and cash equivalents

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Cash in hand	1,194	894	1,194	894
Current accounts	171,787	905,902	171,785	893,813
Notice deposits	600,000	200,000	600,000	200,000
	<u>772,981</u>	<u>1,106,796</u>	<u>772,979</u>	<u>1,094,707</u>

17 Debtors due within one year

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Taxation recoverable	48,643	44,643	48,643	44,643
Due from subsidiary company	-	-	-	11,127
Prepayments and accrued income	58,921	101,108	58,921	101,108
	<u>107,564</u>	<u>145,751</u>	<u>107,564</u>	<u>156,878</u>

18 Creditors due within one year

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Research grants (note 22)	341,834	446,095	341,834	446,095
Accruals	115,844	243,143	115,844	242,183
Taxes and social security	11,561	11,421	11,561	11,421
	<u>469,239</u>	<u>700,659</u>	<u>469,239</u>	<u>699,699</u>

19 Creditors due after more than one year

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Research grants (note 22)	<u>176,750</u>	<u>102,957</u>	<u>176,750</u>	<u>102,957</u>

NOTES TO THE FINANCIAL STATEMENTS

20 Analysis of group net assets between funds

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total £
Fund balances at 31 March 2016 are represented by:-				
Tangible fixed assets	-	-	25,690	25,690
Investments	-	-	251,446	251,446
Current assets	67,305	46,837	775,130	889,272
Current liabilities	-	-	(469,239)	(469,239)
Creditors due after 1 year	-	-	(176,750)	(176,750)
Total net assets	67,305	46,837	406,277	520,419

21 Research grants (notes 18 and 19)

The following research projects have been granted funds by Children's Liver Disease Foundation. Amounts have been charged in the financial statements based upon the budgeted expenditure forecast. The following amounts represent the balance of accrued funding remaining unspent at the year end.

	2016 £	2015 £
Project Reference		
NL1751: 2011 CLDF William Hollway PhD Fellowship – Alpha 1 antitrypsin deficiency, University of Cambridge and Kings College Hospital	-	2,641
NL1752: 2011 CLDF grant award – To investigate whether biliary atresia has an infectious cause in a paediatric cohort using molecular techniques. Dr Melvyn Smith – Kings College Hospital	79,595	79,595
NL1753: 2012 CLDF PhD Student Fellowship – Characterisation in the role of vitamin D in the progression of paediatric non- alcoholic fatty liver disease Dr JB Moore – University of Surrey	2,837	17,108
NL1754: 2012 CLDF PhD Student Fellowship – Young People living with liver disease; A qualitative study of experiences of transition Dr P Lowe – Aston University	2,577	56,500
NL1755: 2013 CLDF grant award – joint research project in hepatology	62,543	94,711
NL1756: 2014 CLDF grant- Professor Jane Coad –Coventry University: Development and evaluation of a mobile application to support information giving and choices made by young people with liver conditions through the period of transition from paediatric to adult health services.	50,460	64,327
NL1757: 2014 CLDF grant – Professor Paul Gissen- UCL Institute of Child Health: Development of Gene Therapy in Arthrogryposis, Renal Dysfunction and Cholestasis Syndrome	139,572	153,170
NL1758: 2015 CLDF grant – Professor Amin Rostami-Hodjegan, University of Manchester: optimising drug regimens in paediatric liver disease using experimentally-derived simulation tools	81,000	81,000
NL1759: 2016 Grant round	100,000	-
	518,584	549,052

NOTES TO THE FINANCIAL STATEMENTS

22 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Movement in Funds		
	At 1 April 2015	Incoming	Outgoing
	£	£	£
General Fund	479,940	665,323	738,986
Designated Fund	210,904	-	164,067
Total	690,844	665,323	903,053

Name of unrestricted fund	Description, nature and purposes of the fund
General Fund	The "free" reserves after allowing for all designated funds
Designated Fund	During 2012 / 2013 CLDF received three major gifts totalling £725,000 from a family who wished to make a significant gift at a strategic level to enable sustainability and development and the gift was designated to deliver the sustainability and growth plan agreed by the trustees. Expenditure relating to the strengthening of the fundraising and the Family and Young People's Support directorate, the development of the Information Service and research has been charged.

Analysis of movements in restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of restricted income held to be applied for specific purposes.

	Movement in Funds		
	At 1 April 2015	Incoming	Outgoing
	£	£	£
Research into biliary atresia fund	35,035	118	-
Department of Health, Section 64 Hepatitis B	17,670	-	-
Worshipful Company of Actuaries	-	6,500	6,500
Charitable Trust - sponsorship of yellow alert packs	-	-	-
Corporate Charity of the Year – Bluefin: Changing Lives Forever project	5,695	-	5,695
Family activities - Scotland	-	10,500	10,500
Talk, Tell, Transform Workshop – BBC Children in Need	7,664	-	7,664
Talk, Tell, Transform Workshop 2016	-	750	750
Family Events	-	4,000	4,000
Closer to the Edge	1,898	2,000	3,898
Clinic Visits – 2015/2016	10,274	15,194	21,170
Family Events - Wild Camp	950	2,750	2,250
Under 11 Fun Day	-	1,060	1,060
Breakaway – family residential 2016	-	8,250	260
National Conference	-	500	-
Research into a Liver APP	-	4,450	4,450
Travel for Young People in North East to attend events	-	300	56
Total	79,186	56,372	68,253

NOTES TO THE FINANCIAL STATEMENTS**23 Research Commitments**

At 31 March 2016, the charity had charged all the expenditure on research grants funded by both the general and restricted funds in compliance with Charities SORP FRS 102.

24 Reconciliation of net movement of funds to net cash flow from operating activities

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Net movement in funds	(249,611)	(234,765)	(249,611)	(237,797)
Depreciation charge	23,621	24,207	23,621	24,207
Interest income shown in investing activities	(17,703)	(23,597)	(17,703)	(23,597)
Losses (gains) in valuation of investments	7,471	(7,270)	7,471	(7,270)
Decrease (increase) in stock	7,503	2,235	7,503	(3,678)
Decrease (increase) in debtors	38,187	(56,578)	38,187	(54,049)
Increase (decrease) in creditors	(157,627)	41,690	(157,627)	43,134
Net cash used in operating activities	(348,159)	(254,078)	(348,159)	(259,050)

25 Financial commitments

The company is committed to making the following payments in the coming year in respect of operating leases.

	2016 £	2015 £
Expiring within five years		
– serviced office rental	51,000	54,000
– broadband contract	5,200	5,200
– rental of photocopier	<u>1,172</u>	<u>1,172</u>

26 Future Commitments

At 31 March 2016 the charity has charged all expenditure on research grants in the financial statements. There are currently no further commitments.

At 31 March 2016, the general fund, excluding the residual designated fund of £46,837, was £406,277 which enables the charity to cover core expenditure for at least six months as required by the trustees' reserves policy.