Children's Liver
Disease Foundation
fighting childhood
liver disease

CHILDREN'S LIVER DISEASE FOUNDATION

COMPANY NO. 03431169

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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Report of the trustees and directors for the twelve months ended 31 December 2017

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 (resigned 9th December 2017)
Mrs Mairi Everard
Mrs Georgina Sugden
Mr David Tildesley (died 11th May 2018)
Ms Theresa Legay
Mrs Karen Redgate
Professor John Iredale (appointed 13th June 2017)

Chief Executive & Company Secretary
Ms Alison Taylor

Key management personnel

Chief Executive Officer	Ms Alison Taylor
Support Team Manager	Mrs Laura Varma Ms Carol Hebden
Head of Fundraising	Ms Joanna Oldfield Mrs Sophie Burt (appointed 15th January 2018)
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 twelve months ending 31 December 2017 (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; 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 three times a year 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, twelve full time members of staff during the year in addition to the Chief Executive.

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 2017 identified that there was a need to recruit at least one new trustee to the Board and the Board appointed Professor John Iredale as of 13th June 2017. Further reviews will continue in 2018 with the intention of further Board development.

It was with great regret and sadness that the Board learned of the death of David Tildesley on 11th May 2018. David supported the Board and the Charity in many ways and with tremendous enthusiasm. He will be greatly missed.

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. Trustees have the opportunity to question and comment.

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

Charity 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. To disseminate 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 twelve months ended 31 December 2017 (continued)

How our activities deliver public benefit

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

Programme	Public Benefit
Research	• Advances knowledge • Encourages young talent in scientific endeavours • Improved treatments • Provides evidence base for treatment regimens • Improved patient outcomes • Improved health economics
Information	• 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	• 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	• 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

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.

During the year Professor John Iredale retired as chair of the Scientific Committee; the Board of Trustees wish to record their appreciation of his chairmanship over the years and are delighted to welcome Professor Salim Khakoo as the new chairman.

CLDF's Scientific Committee had 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, a small grants programme 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.

Report of the trustees and directors for the twelve months ended 31 December 2017 (continued)

1 Research Programme (continued)

Research impact and achievements in 2017

Grants Programme

CLDF ran one grant round in 2017, eight applications were received for funding. The Scientific committee met in September 2017 to consider applications. Four applications were awarded. The following projects have now been finalised

- **Genome editing liver organoids for treatment of liver disease**
  Dr Deborah Gill – Oxford University

- **Identification of biomarkers in paediatric fatty liver disease**
  Dr Jake Mann - Department of Paediatrics, Addenbrooke's Hospital

- **Diagnosis of covert hepatic encephalopathy in young people with biliary atresia: a feasibility study**
  Dr Marianne Samyn – Kings College Hospital

The fourth project is awaiting finalisation.

Research Hub
In 2017 the charity was successful in securing funding to support the development of a Research Hub. The project will promote research in paediatric hepatology and enable families and young people to provide insights from lived experience to help researchers to hone research questions and project applications

Continuing the research programme in 2018

Following the success of the Grants programme in 2017, which attracted a higher number of applications than previous years the Scientific Committee have decided that we will run a similar round in 2018. Grants will be made available for £10,000 and we envisage that a number of grants will be made.

CLDF will seek a further partnership with BSPHGAN (British Society Gastroenterology Hepatology and Nutrition) to offer another jointly funded grant round towards the end of the year, following the success of the 2016 initiative.

CLDF will continue to increase opportunities for families and young people to learn more and be involved in research within the field. In 2018 we will formalise staffing arrangements to take the project forward and look to begin recruitment to the patient and family research panel by the end of the year. The National Conference and Family Weekend to be held in Stratford on Avon will feature research and will introduce the project to our families and young people to support recruitment to the project.

Report of the trustees and directors for the twelve months ended 31 December 2017 (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/or 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.

To help promote our services and raise awareness of our campaigns we have attended an increased number of conferences for primary and specialist healthcare professionals during the year. CLDF exhibited at ten conferences including the annual BSPHGAN conference, with the Chief Executive presenting at additional events throughout the year

- **Education and information impact and achievements in 2017**

Information

- A vast range of medical, nutritional and support literature all available for instant download
    - Number of leaflets distributed, including downloads – 16,219 a slight decrease on the same period in 2016
- Yellow Alert website and resources
    - Number of Yellow Alert resources distributed, including downloads – 9,898 A reduction on the previous year when 11,111 were utilised
    - Visits to the Yellow Alert website- 20, 950 an increase on the previous year

Medical and Support Information

During the year we have continued to review and redevelop our medical and support leaflets to ensure they are concise, patient friendly and updated with the latest information. In August we passed our periodic reassessment to maintain our Information Standard accreditation for the work we undertake in this area.

Yellow Alert

Promotion of our Yellow Alert resources has been a priority throughout the year and we have continued the process of reviewing the content of the campaign and its messaging to different audiences. During the year we successfully partnered with CPHVA to deliver a

Report of the trustees and directors for the twelve months ended 31 December 2017 (continued)

2 Education and Information Programme (continued)

webinar on neonatal jaundice for health visitors. A focus of activity in 2017 has been reaching General practitioners in addition to Health visitors and midwives. Working with the Royal College of General Practitioners (RCGP) we have worked to highlight our campaign and ensured that our resources are available via RCGP platforms. We also produced an article for the Digest magazine published by the Primary Care Society for Gastroenterology (PCSG) and were able to exhibit at PCSG's annual meeting in order to discuss the Yellow Alert campaign with GPs in attendance and raise awareness of the importance of the role of the GP in the diagnosis of childhood liver disease .The RCGP Clinical Lead for Liver Disease, Dr Jeremy Thompson has been instrumental in ensuring that the dissemination of our protocols and campaign becomes a joint priority.

The Transplant Story Book

In December with the help of one of our wonderful parents Saskie Dorman we launched Joe's Liver Transplant Story to help children to understand what a liver transplant is and to learn about the processes involved. Targeted at 4 – 10 year olds the book can also be used with younger and older children as a starting point for discussion. The story is designed to be used by play specialists, psychologists or parents with children and tells the story of Joe from liver transplant assessment right through to recovery after the transplant. The book is now being used by specialists as part of the preparation for transplant for children on the waiting list. The resource is also available for children who have already undergone transplant and their siblings.

"The storybook is wonderful. It's clear and concise and relevant to both younger (with their parents help) and older children. It will help children waiting for a transplant immensely. Sometimes it's so hard to talk to your child when you're trying to hide your own upset, so it will be very helpful to have something that the child and parents can read together. Thank you so much for making it happen" Feedback from one of the first recipients

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 – 180,514,
    - Number of visits to all CLDF websites including Yellow Alert – 211,762

During 2017 we have been working on a project to provide a new website which brings together a number of different websites that the charity currently provides. The new site will be clear and concise and help different audiences to find the information they need quickly and effectively. We hope to launch the new site in early 2018

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.

Report of the trustees and directors for the twelve months ended 31 December 2017 (continued)

2 Education and Information Programme (continued)

Outcomes of the press activity are:

- 67 press releases were issued centrally.
- 220 press cuttings were generated a 10% increase on the same period in 2016.
- 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 2018

- The information leaflets redevelopment project will continue in 2018 until completion, with a robust maintenance programme.

- We will launch a new website to reach the widest range of audiences who will benefit from our services, information and education.

- In 2018 we will deliver our Biennial National Conference and Family weekend

- CLDF will be present at a variety of conferences to enable further awareness amongst healthcare professionals.

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

Family and Young Peoples' services impact and achievements in 2017

- **Hospital ward and clinic visits**
  The families and young peoples' teams have continued with the clinic visiting programme at hospitals across the UK. Attending 76 clinics across the country, the team connected with 686 families and young people.

Report of the trustees and directors for the twelve months ended 31 December 2017 (continued)

3 Supporting families and young people (continued)

Support and Contact with Families and Young People has increased during the year.

- 688 young people between 11 and 24 had contact / support with CLDF during the year
- The support team also had 2009 contacts with parents, friends and relatives.

Family Events
We continued to focus on developing the events programme during 2017; the number of events decreased, but the Family weekend offering was strengthened. The purpose of our family event programme is to;

- Provide families with the opportunity to meet one another and build local peer support networks.
- Provide families the opportunity to build relationships with CLDF.
- Reduce families' and young people's feelings of isolation and uncertainty.
- Provide families and young people with opportunities to participate in enjoyable events, promoting family cohesion and giving them a break from the daily rigours of managing a chronic liver disease.

Events included Family Days at RHS Wisley, Hertfordshire and Leeds and Family weekends across the UK, 351 people attended an event during the year.

Family Weekend Programme

Children's Liver Disease Foundation held Family weekends in Northern Ireland and Scotland during 2017. For the first time we also held a weekend residential event in Central England at PGL at Boreatton Park, Shropshire. The fifty families who attended the adventure focused weekends gave incredibly positive feedback. The mixture of team activities, information, social time and chance to connect with new families in similar situations were valued by all participants.

"it was lovely to meet other families and feel like a normal family with others who completely understand our reality" Parent feedback from the weekend

Wild Camp (children aged 11 years and over, accompanied by a parent / carer)
We held our Weekend Wild Camp in August 2017 attended by 10 pairs of young people and parent / carers. In the middle of an Oxfordshire woodland the groups faced a 24- hour bushcraft survival experience alongside other young people and parents affected by childhood liver disease.

" *A really great experience, bonding with my child and other families who share the same challenges and medical condition* " Parent feedback from the weekend.

Remembrance and Celebration Service/Picnic
CLDF's Remembrance Service and Family picnic was held in June 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 twelve months ended 31 December 2017 (continued)

3 Supporting families and young people (continued)

Residential Activities for young people:

- **CLDF Breakaway (children aged 12 – 15)**

CLDF Breakaway; ran in April for twelve 12-15 year olds from all over the UK. From skinning deer and zip wiring to building shelters, the young people really stretched themselves, trying new things and meeting new people with common issues.

One participant said "*This was a great trip which I will remember for the rest of my life and I hope to take part in more cldf activities, meeting others like me was wonderful*"

Parental feedback was also very positive
"*My daughter thoroughly enjoyed the event and was very well looked after, she has been transformed by the experience. Words cannot describe how much. She has come back with newly gained skills, made a lot of friends and has a new confidence* "

- **Talk, Tell, Transform (young people age 16-18)**

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 sixth year we have run the project, which has been significantly developed by the team. Children in Need generously supported the costs of the project in 2017

- 12 young people attended the residential in February 2017.
- 10 of the films 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 participants

"Before knowing other people with a liver disease I felt quite isolated. Now I am able to talk to people in similar circumstances and I feel far more comfortable talking about my condition to those who aren't"

"I have been able to embrace my differences and uniqueness as well as loving my scar ,it's been one of the best experiences of my life"

- **The CLDF Weekender (young people aged 16 -24)**

The inaugural CLDF Weekender was held at Derby University in August. Thirty- one young people attended travelling from across the UK to take part in the event. In addition to making new friendships participants took part in workshops on living independently, emotional wellbeing, employment rights and managing health. The programme was designed by some of the young people via a steering group and was very well received. The dinner and disco on the Saturday night was another highlight, where we were joined by Justin Grace, British

3 Supporting families and young people (continued)

Cycling's Head Sprint Coach who received a life-saving liver transplant himself last year. The University of Derby provided more than just the venue. Students from the Health and Social Care and Youth Work courses helped plan the event and were on hand throughout the event to ensure it ran smoothly. We are indebted to the team at Derby University for all the support given for the project and hope to work again with them next year to build on the success of the project.

"The event exceeded all my expectations. I have met some amazingly lovely people, had a chance to just have fun as well as share with others who understand, who have been in my position. The seminars and workshops were really helpful and enjoyable" – Feedback from one of the participants

Continuing the family and young peoples' programme in 2018

- We will continue to provide family weekends in Scotland and Northern Ireland and in addition to our single day events.
- We will continue to deliver our residential programme for young people which now includes the Weekender for young people up to the age of 25.
- During the year we will review how we deliver our clinic visiting programme with the aim of developing ways of working to increase the numbers of families and young people who are introduced to the CLDF community.

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 2017

- **Representing Paediatric Liver Disease and the needs of patients**
    - 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.
    - During the year the CEO has been working closely with National Health Service Blood and Transplant on a variety of initiatives, these include representing patient interest in relation to the new Liver offering system and being an active member of the Liver Advisory group.
    - The charity has supported a variety of external campaigns to instigate change, these include those run by the Obesity Health Alliance and the Prescription Charges Coalition.
    - We also campaigned with Rare Disease UK to ensure the active implementation of Rare Disease Strategy for England

Report of the trustees and directors for the twelve months ended 31 December 2017 (continued)

4 Voice (continued)

- Our CEO is vice chair of the Liver Patients Transplant Consortium and an active member of the British Society for Paediatric Hepatology Gastroenterology and Nutrition PPP forum and is the current charity representative on the council.

- During 2017 CLDF continued to work with other organ related charities to develop and promote the 'Donation Conversation' campaign aimed at increasing the consent rate for organ donation across the UK. The charity supported the British Transplant Games for the fourth year in succession.

- Our CEO is a member of the Liver Steering Group for Paediatric services, alongside clinicians from the Specialist units, to support national service development with commissioners.

- 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.

- Active membership of the implementation group for Welsh National Liver Strategy has continued throughout the year

- Our CEO was invited to become the lead patient representative for paediatric patients on the European Reference Network for Rare Liver Disease. These networks for rare diseases create a clear governance structure for knowledge sharing and care coordination across the EU. Their purpose is to raise the standards of care and information for patients across the EU, to improve patient knowledge and outcomes. Rare liver patients experience significant variation in the clinical outcomes of treatment across the EU due to variation in clinical practice and lack of adherence to best practice guidelines, including a number of diseases without any recognised clinical guidelines.

Continuing the voice programme in 2018

- 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.

- Support the Obesity Health Alliance, Prescription Charging Coalition campaign work and other initiatives which impact on the needs of babies, children, young people and families affected by childhood liver disease.

- In our communications and awareness raising, we will continue to broaden our range of activity, incorporating the voices of our families and young people wherever possible.

- Respond to key issues as they arise.

- During the year we will review our policy work priorities after canvassing the views of liver specialists, health care professionals and our beneficiaries.

Report of the trustees and directors for the twelve months ended 31 December 2017 (continued)

Fundraising

Fundraising works to provide a stable and significant income stream with which the Foundation delivers its charitable objectives and reaches the children and families in need. Fundraising activities span multiple income streams with significant income coming from fundraising events held by the families themselves, without whom we would be unable to fund our services. Our incredible supporters underpin all our work.

Trusts and Grants continued to be a growth area for the charity during the year with a focus on seeking multi-year funding opportunities. During the year January 2017 to December 2017 donations were received from 44 charitable trusts totalling £100,800. Donations of £5,000 or more were received from the following trusts:

- The Worshipful Company of Actuaries Charitable Trust £5,000
- The PF Charitable Trust £5,000
- The Eveson Charitable Trust: £7,000
- The Munro Charitable Trust: £44,000

A number of new community fundraising offers and events were developed with varying levels of success during the year. Large scale, CLDF run events have proved very difficult to bring to a successful conclusion and the charity will not be pursuing these types of initiatives in the future, with the exception of the Chef's Gala Dinner.

Recruitment for popular challenge events remained a priority in the year with the biggest challenge event fundraiser being the London Marathon, bringing in £43,590. Income from Family Funds remained relatively stable at £8,181

Corporate fundraising performed well in 2017 with significant income being received from the Tesco Bags for Life scheme; BP; and Bruntwood's ongoing charity partnership raising £14,446. We were also delighted to receive £59,020 from Shire to support the Research Hub project over the coming two years. Our corporate partnerships are incredibly important to the charity and we will look to build on these successes for the future.

For the first time the charity has also received financial support from the Welsh government in order to bolster our provision of support, information and education for children and families affected by childhood liver disease and the health care staff to support them in Wales.

Our biennial Chefs Gala Dinner held at the Dorchester in March 2017 was a great success raising £130,475, which included £20,000 sponsorship received from Visa. We are indebted to all of the chefs, sponsors, attendees and contributors who supported this fantastic event.

Continuing the development of income generation in 2018

In order to further grow and develop income in 2018 the focus will be on the following initiatives:

- Continue to seek multiyear grant opportunities with a focus on developing larger funding packages and over arching projects and themes.

- Develop a robust stewardship programme to maximise fundraising and secure repeat support

Report of the trustees and directors for the twelve months ended 31 December 2017 (continued)

Fundraising (continued)

- Pilot a community fundraising volunteer programme to help raise awareness and income from local communities
- Focus on a scaled down programme of the most popular challenge events
- Develop a strong corporate offer with a focus on engaging the Birmingham business community and developing transformational programmes for large scale partnerships

Financial Review

- In September 2016 the Board approved the change in accounting date from 31 March to 31 December as the 31 December is a better fit operationally with the calendar of income generating events.

- 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.

- Income for the year to 31 December 2017, £913,291 was 23.5% higher than the pro rata amount for the 9 months ended 31 December 2016. This is mainly due to the income from the biennial Chefs Gala Dinner of £130,475; the statutory funding of £21,194 from the Welsh government; a legacy of £44,000 and a donation of £44,000 from a trust upon its closure. This means that during the challenging economic environment within which charities are operating our core income has declined by 6%. As outlined in the Fundraising section of this report the charity has been and will continue developing streams of income.

- The principal funding sources were voluntary income of £897,618 of which £599,149 was received from supporters; £100,800 from charitable trusts (see Fundraising section); £46,000 from legacies; £130,475 from the Chefs Gala Dinner and £21,194 of statutory funding.

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.

Report of the trustees and directors for the twelve months ended 31 December 2017 (continued)

Financial Review (continued)

Reserves

- The trustees have established the level of reserves (those funds that are freely available) that the charity ought to have.
- The trustees reviewed the charity's reserve policy during 2017 and determined that the policy should, as far as possible, require the free reserves in the unrestricted fund (excluding designated funds) are sufficient to cover three to six months' core expenditure. The trustees, therefore, consider that, based on the 2018 budget, the ideal level of reserves at 31st December 2017 would be £360,000.
- The actual unrestricted fund at 31st December 2017 is £385,338. This equates to covering 6.4 months of core expenditure. This is slightly higher than anticipated as the significant legacy of £44,000 and the trust donation of £44,000 were respectively received and notified in December 2017. The trustees consider 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 continued with its 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 Board of Directors, who are the charity's trustees, oversee the direction of the charity, devolving day to day operational management responsibility to the Chief Executive

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 no 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 twelve months ended 31 December 2017 (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
The trustees retiring by rotation at the next Annual General Meeting are T Ross, N Budd and J Iredale 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 period which give a true and fair view of the financial activities of the charity and of its financial position at the end of the period. 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.

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

Statement as to disclosure of information to 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
12 June 2018

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

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

Opinion

I have audited the financial statements of Children's Liver Disease Foundation (the 'charitable company') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Charity Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charitable company'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 charitable company's 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 charitable company and the charitable company's trustees and members as a body, for my audit work, for this report, or for the opinions I have formed.

In my opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; 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).

Basis for opinion

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

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and my Report of the Independent Auditor thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- 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; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which I am required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, I have not identified material misstatements in the Report of the Trustees.

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 from 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

My responsibilities for the audit of the financial statements

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

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of my Report of the Independent Auditor.

Stephen W. Jones F.C.A. (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
12 June 2018

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Unrestricted Fund	Restricted Fund	Year Total 31.12.17	9 month Total 31.12.16
		£	£	£	£
INCOMING RESOURCES					
Income					
Donations and legacies	4	737,917	159,701	897,618	538,586
Trading activities	4	1,950	-	1,950	1,839
Investments	4	13,720	3	13,723	13,892
Total Incoming Resources		**753,587**	**159,704**	**913,291**	**554,317**
RESOURCES EXPENDED					
Costs of raising funds					
Raising Funds		200,375	-	200,375	142,794
Trading activities		1,747	-	1,747	527
Total		202,122	-	202,122	143,321
Charitable activities					
Education and awareness campaigns	5	219,847	34,794	254,641	216,993
Provision of emotional support	5	205,808	85,121	290,929	214,137
Research grants and expenditure	5	90,690	10,000	100,690	64,984
Total		516,345	129,915	646,260	496,114
Total expenditure		**718,467**	**129,915**	**848,382**	**639,435**
Net (losses) / gains on investments	14	(3,870)	-	(3,870)	14,361
Net surplus / (expenditure) and net movement in funds for the year / period		31,250	29,789	61,039	(70,757)
Reconciliation of funds					
Total funds brought forward at 1 January 2017		**354,088**	95,574	449,662	520,419
Total funds carried forward at 31 December 2017		**385,338**	**125,363**	**510,701**	**449,662**

The notes on pages 22 to 34 form part of these financial statements.

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

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

BALANCE SHEET OF THE CHARITY AS AT 31 DECEMBER 2017

		31.12.2017		31.12.2016	
	Note	**£**	**£**	**£**	**£**
Fixed assets					
Tangible assets	13		14,055		12,386
Investments	14		261,316		265,809
			275,371		278,195
Current assets					
Stock and inventory	15	4,616		7,906	
Cash and short-term deposits	16	576,172		617,963	
Debtors due within one year	17	92,155		98,715	
		672,943		724,584	
Current liabilities					
Creditors due within one year	18	359,337		437,507	
Net current assets			313,606		287,077
Total assets less current liabilities			588,977		565,272
Creditors due after more than one year	19		78,276		115,610
Net assets			510,701		449,662
Represented by					
Restricted Funds	22		125,363		95,574
Unrestricted Funds	22		385,338		354,088
Designated Funds	22		0		0
Total Funds			510,701		449,662

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 22 to 34 form part of these financial statements.

Signed on behalf of the Trustees on 12 June 2018

Mr T M Ross OBE

Mrs M Everard

STATEMENT OF CASH FLOWS FOR THE YEAR- ENDING 31 DECEMBER 2017

	Note	12 months 31.12.2017 £	9 months 31.12.2016 £
Cash used in operating activities	24	(45,844)	(167,294)
Cash flows from investing activities			
Interest Income		13,723	13,892
Disposal of investments		43,273	-
Purchase of investments		(42,650)	-
Purchase of tangible fixed assets		(10,293)	(1,614)
Cash provided by investing actions		**4,053**	**12,278**
(Decrease) in cash and cash equivalents in the year / period		(41,791)	(155,016)
Cash and cash equivalents at the beginning of the year / period		617,963	772,979
Total cash and cash equivalents at the end of the year / period		**576,172**	**617,963**

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 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) Preparation of the accounts on a going concern basis

The Foundation reported a net surplus of £61,039. The trustees have reviewed the five-year strategy report, the budgets for 2018 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.

c) Financial statements

At 31 March 2015 the trustees decided to transfer the trading activities to the charity from 01 April 2015. CLDF Trading Ltd is a dormant company. The charity has, therefore, taken advantage of the exemption in preparing group accounts on the grounds of the immateriality of the subsidiary; the investment in which is stated in the charity's balance sheet under investments.

In 2016 the board took the decision to change the financial year from April to March to January to December. The decision will help to support the financial management of the charity. The financial statements for the year to 31 December 2017 consist of the charity's SOFA, and a balance sheet for the charity as do the comparative financial statements for the nine months to 31 December 2016.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies (continued)

d) 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. As at 31 December 2016 the designated funds had been fully utilised and none have been designated during this year.

e) 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.

f) 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.

g) 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 staff has been allocated 75% and 15% respectively to "education and public awareness" and "provision of emotional support" within charitable activities. The cost of fundraising staff has been allocated 25% 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.

h) 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.

i) 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

j) 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)

k) 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.

l) Operating Leases

The charity classifies the lease of the office and broadband as operating leases; the title to the equipment remains with the lessor.
Operating lease payments are written off in the statement of financial activities in the period in which they are incurred.

m) Debtors

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

n) 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.

o) 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.

p) Financial instruments

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

q) Pension

In January 2015 the charity set up a defined contribution pension scheme operated by Royal London which employees were 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 scheme qualifies as suitable for automatic enrolment and was used when the charity's staging date of 01 January 2017 was reached.

The contributions made for the year are treated as an expense and amounted to £8,151 (9m to 31.12.2016 £3,629).

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies (continued)

q) Pension (continued)
In December 2013 an individual defined contribution pension scheme for the CEO was set up. The contributions amounted to £6,600 (9m to 31.12.2016 £4,950).

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 December 2017 is for the charity only as is the comparative period. From 01 April 2015 the trading activities of the subsidiary were transferred to the charity and the subsidiary is now dormant.

4 Incoming Resources Notes

	12 months	**31.12.17**		**9 months**	**31.12.16**	
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
Incoming Resources	£	£	£	£	£	£
Donations & legacies						
Donations	522,242	76,907	599,149	433,643	14,516	448,159
Income from Chefs Gala Dinner	116,325	14,150	130,475			
Statutory Funding	-	21,194	21,194			
Donations from Family Life Club	-	-	-	7,808	-	7,808
Charitable Trusts	53,350	47,450	100,800	3,000	73,619	76,619
Legacies	46,000	-	46,000	1,000	5,000	6,000
	737,917	**159,701**	**897,618**	**445,451**	**93,135**	**538,586**
Trading activities						
Sales of merchandise	**1,950**	**-**	**1,950**	**1,839**	**-**	**1,839**
Investments						
Listed securities - UK	13,528	-	13,528	9,027	-	9,027
Listed securities-Overseas	121	-	121			
Bank interest	71	3	74	4,854	11	4,865
	13,720	**3**	**13,723**	**13,881**	**11**	**13,892**
Total	**753,587**	**159,704**	**913,291**	**461,171**	**93,146**	**554,317**

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	-	-	32,462	32,462
Small grants programme	-	-	48,390	48,390
Working with beneficiaries and stakeholders	52,788	89,745	-	142,533
Medical Conferences	10,729	-	-	10,729
National Conference & Family Weekend	-	-	-	-
Communications, awareness, representation and campaign activity	64,283	22,232	3,512	90,027
Provision of information via literature and packs	59,792	-	-	59,792
Family Event programme	-	41,786	-	41,786
Residential activities for young people	-	42,484	-	42,484
Attendance at hospital clinics	-	27,633	-	27,633
Support costs (note 6)	52,687	52,687	12,736	118,110
Governance costs (note 6)	14,362	14,362	3,590	32,314
Total	**254,641**	**290,929**	**100,690**	**646,260**

Expenditure on charitable activities was £646,260 (9 months to 31.12.2016: £496,114) of which £516,345 was unrestricted (9 months to 31.12.2016: £431,237) and £129,915 was restricted (9 months to 31.12.2016: £64,877).

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	24,760	23,072	47,832	7,956	On time allocation
Property	53,984	-	53,984	-	Occupancy
I T	15,314	-	15,314	3,828	Staff numbers
General Office	24,052	-	24,052	2,674	Staff numbers
Audit	-	5,200	5,200	-	Governance
Legal & other professional fees	-	4,042	4,042	1,565	Staff numbers
Total	**118,110**	**32,314**	**150,424**	**16,023**	

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 and are as shown in Note 4.

Summarised balance sheet of CLDF (Trading) Limited	**31.12.17**	**31.12.16**
	£	**£**
Current assets	2	2
Creditors: amounts falling due within one year	0	0
Net Assets	2	2
Called up share capital	2	2
Profit and loss account	0	0
	2	2

NOTES TO THE FINANCIAL STATEMENTS

8 Net outgoing resources

	Year 31.12.17 £	Period 31.12.16 £
Net- outgoing resources are stated after charging:		
Depreciation on owned assets	8,624	14,918
Auditor's remuneration for the statutory audit	5,200	4,390
Operating leases	44,247	41,507

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

	Year 31.12.17 £	Period 31.12.16 £
Salaries	393,632	306,284
Social security costs	35,504	27,284
Pension costs (defined contribution schemes)	14,751	8,579
	443,887	342,147

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 was £184,962 (9m to 31.12.2016: £142,555).

10 Staff Numbers

The average monthly number of employees during the year was 12 (31.12.2016 : 14) and the average number of full-time equivalent employees during the year was:

Average number of employees by category:	31.12.17 No.	31.12.16 No.
Family Support	4	4
Information & Raising Awareness	2	3
Research	1	1
Raising Funds	3	4
Infrastructure	2	2
	12	14

The trustees were not paid nor received any emoluments or benefits during the year (9m period to 31.12.2016 £Nil).
Neither were the trustees reimbursed for their expenses in the year (31.12.2016 £Nil).

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

	31.12.17 No.	31.12.16 No.
£60,001 - £70,000	1	0

Note – the comparative accounts are for a period of 9 months. The emoluments for one employee is equivalent for a year to emoluments within the band £60,001 - £70,000.

NOTES TO THE FINANCIAL STATEMENTS

11 Related party transactions

The charity has one subsidiary, CLDF (Trading) Limited (company registration number 01584165).
The charity does not have any related party transactions.

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 £
Charity			
Cost			
As at 1 January 2017	80,527	34,026	114,553
Additions	1,800	8,493	10,293
Disposals	-	(326)	(326)
At 31 December 2017	82,327	42,193	124,520
Depreciation			
At 1 January 2017	77,747	24,420	102,167
Charge for the year	2,930	5,694	8,624
Disposals	-	(326)	(326)
At 31 December 2017	80,677	29,788	110,465
Net book value			
At 31 December 2017	1,650	12,405	14,055
At 31 December 2016	2,780	9,606	12,386

14 Investments

Shares in subsidiary	**31.12.17**	**31.12.16**
Cost	**£**	**£**
At 1 January 2017 and at 31 December 2017	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.

UK quoted - Fixed interest bonds	**31.12.17**	**31.12.16**
	£	**£**
Market Value at 1 January 2017	265,807	251,446
Disposals	(43,273)	-
Purchases	40,724	-
Realised (losses) on disposal	(1,703)	
Net unrealised (losses) / gains	(2,167)	14,361
Cash on deposit	1,926	-
Market value at 31 December 2017	261,314	265,807
Historical cost as at 31 December 2017	235,178	230,793

NOTES TO THE FINANCIAL STATEMENTS

15 Stock and inventory

	Charity 31.12.2017 £	31.12.2016 £
Stock of literature	3,157	4,787
Goods for resale	1,459	3,119
	4,616	7,906

16 Analysis of cash and cash equivalents

	Charity 31.12.2017 £	31.12.2016 £
Cash in hand	1,392	1,392
Current accounts	574,780	616,571
	576,172	617,963

17 Debtors due within one year

	Charity 31.12.2017 £	31.12.2016 £
Taxation recoverable	6,000	29,422
Prepayments and accrued income	86,155	69,293
	92,175	98,715

18 Creditors due within one year

	Charity 31.12.2017 £	31.12.2016 £
Research grants (note 21)	211,111	324,426
Accruals	138,203	101,374
Taxes and social security	10,023	11,707
	359,337	437,507

19 Creditors due after more than one year

	Charity 31.12.2017 £	31.12.2016 £
Research grants (note 21)	78,276	115,610

NOTES TO THE FINANCIAL STATEMENTS

20 Analysis of net assets between funds

	Restricted Funds £	Unrestricted Funds £	Total £
Fund balances at 31 December 2017 are represented by:-			
Tangible fixed assets	-	14,055	14,055
Investments	-	261,316	261,316
Current assets	135,363	537,580	672,943
Current liabilities	(10,000)	(349,337)	(359,337)
Creditors due after 1 year	-	(78,276)	(78,276)
Total net assets	125,363	385,338	510,701

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 /period end.

	31.12.17	31.12.16
Project Reference	£	£
NL1755: 2013 CLDF grant award – joint research project in hepatology	22,360	43,948
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
NL1757: 2014 CLDF grant – Professor Paul Gissen - UCL Institute of Child Health: Development of Gene Therapy in Arthrogryposis, Renal Dysfunction and Cholestasis Syndrome	79,619	79,619
NL1758: 2015 CLDF grant – Professor Amin Rostami-Hodjegan, University of Manchester: optimising drug regimens in paediatric liver disease using experimentally-derived simulation tools	42,639	81,000
NL1759: 2016 CLDF grant – Professor David Wraith, University of Birmingham: Development of biomarkers and novel therapeutics in autoimmune hepatitis type 2	94,769	100,000
NL1760: 2017 CLDF authorised grant expenditure	50,000	-
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
NL1753: 2012 CLDF PhD Student Fellowship – Characterisation in the role of vitamin D in the progression of paediatric non-alcoholic fatty liver disease	-	2,837
DR J B Moore – University of Surrey	-	2,577
NL1754: 2012 CLDF PhD Student Fellowship – Young People living with liver disease: A qualitative study of experiences of transition. Dr P Lowe – Aston University		
	289,387	**440,036**

NOTES TO THE FINANCIAL STATEMENTS

22 Analysis of charitable funds

Analysis of movements in unrestricted funds

		Movement in Funds		
	At 1 January 2017	Incoming	Outgoing	At 31 December 2017
	£	£	£	£
General Fund	354,088	753,587	722,337	385,338
Total	**354,088**	**753,587**	**722,337**	**385,338**

Name of unrestricted fund	Description, nature and purposes of the fund
General Fund	The "free" reserves after allowing for all designated funds

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 January 2017	Incoming	Outgoing	At 31 December 2017
	£	£	£	£
Research into biliary atresia fund	25,164	3	(10,000)	15,167
Department of Health, Section 64 Hepatitis B	16,923	-	(6,600)	10,323
Worshipful Company of Actuaries Charitable Trust - sponsorship of yellow alert packs	5,000	5,000	(10,000)	0
Travel for Young People in North East	244	-	(244)	0
Transplant Story Book	0	7,550	(7,550)	0
Clinic Visits – 2017	924	7,900	(7,358)	1,466
Family Events - Wild Camp	0	4,799	(4,799)	0
CLDF Breakaway 2017	1,450	9,350	(10,800)	0
Children in Need :Talk, Tell, Transform Workshop 2017	31,669	-	(29,931)	1,738
Family Events	5,000	7,650	(11,900)	750
Family activities – Scotland	5,000	6,500	(11,500)	0
Family Services Programme	0	5,907	(5,907)	0
Young Person's Services	0	2,681	(2,681)	0
Young Person's Literature	2,000	-	(2,000)	0
Research hub	2,200	59,020	-	61,220
Website	0	14,150	(8,645)	5,505
Clinic Visits – 2018	0	8,000	-	8,000
Welsh government funding of liver strategy	0	21,194	-	21,194
Total	**95,574**	**159,704**	**129,915**	**125,363**

NOTES TO THE FINANCIAL STATEMENTS

23 Research Commitments

At 31 December 2017, 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

	Year 31.12.17 £	Period 31.12.16 £
Net movement in funds	61,039	(70,757)
Depreciation charge	8,624	14,918
Interest income shown in investing activities	(13,723)	(13,892)
Losses / (Gains) in valuation of investments	3,870	(14,361)
Decrease in stock	3,290	821
Decrease in debtors	6,560	8,849
(Decrease) in creditors	(115,504)	(92,872)
Net cash used in operating activities	**(45,844)**	**(167,294)**

25 Financial commitments

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

	31.12.17 £	31.12.16 £
Expiring within five years		
– rental of photocopier	-	586
– broadband contract	5,200	5,200
– serviced office rental	40,400	48,500

26 Future Commitments

At 31 December 2017 the charity has charged all expenditure on research grants in the financial statements. There are currently no further commitments.

At 31 December 2017 the general fund was £385,338; this equates to 6.4 months of cover for core expenditure which is in line with the trustees' reserves policy of covering core expenditure for three to six months.