



## **Children's Liver Disease Foundation**

### **Trustees' Report and Financial Statements for the year ended 31 December 2018**

Charity Registration Number: 1067331 (England & Wales) SC044387 (Scotland)  
Company Registration Number: 03431169

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## **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 Mairi Everard  
Professor John Iredale  
Ms Theresa Legay  
Mrs Karen Redgate  
Mrs Georgina Sugden  
Mr David Tildesley (died 11<sup>th</sup> May 2018)  
Dr Simon Colson (appointed 4<sup>th</sup> April 2019)  
Ms Kate Dinwiddy (appointed 4<sup>th</sup> April 2019)  
Mr Joel Glover (appointed 4<sup>th</sup> April 2019)  
Professor James Neuberger (appointed 4<sup>th</sup> April 2019)

**Chief Executive & Company Secretary:**

Ms Alison Taylor

**Key Management Personnel:**

Chief Executive Officer	Ms Alison Taylor
Head of Support	Ms Carol Hebden (left 20 August 2018) Mrs Michelle Wilkins (appointed 23 July 2018)
Head of Fundraising	Mrs Sophie Burt
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

The Trustees of Children's Liver Disease Foundation present their report and financial statements for the year ended 31 December 2018.

## **Objects of the Charity**

As a registered charity, Children's Liver Disease Foundation is regulated by the Charity Commission (England and Wales) and OSCR in Scotland.

The Charity is also a Company Limited by Guarantee and reports to Companies House in this respect.

Charities exist solely to provide 'explicit public benefit' for society as a whole. As such, the objects of the Charity should reflect this. They state:-

1. 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.
2. To undertake and promote medical and scientific research relating to paediatric liver disorders and subjects relative 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.
3. To advance public education and awareness of paediatric liver diseases and disorders their causes, diagnoses and treatment.
4. 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.

In furtherance of the Objects of the Charity, the Charity undertakes the following activities:-

- funding and supporting vital research
- informing and educating healthcare professionals, parents and the public about childhood liver disease and 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

## **How our activities deliver public benefit**

The Trustees have complied with their duty to have due regard to the Charity Commission's public benefit guidance when exercising their powers and duties. Children's Liver Disease Foundation is the leading UK Charity for children and young people with all types of liver disease.

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.

**How our activities deliver public benefit continued...../**

All our charitable activities focus on improving the care and lives of those who are affected by childhood liver disease. All our activities are undertaken to further our charitable purposes for the public benefit.

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

**Who uses and benefits from our services**

Our main beneficiaries are children and young people affected by childhood liver disease and the families and communities which support them. This includes the wider family, and anyone connected with them, such as friends and professionals. This includes health and social care professionals, educators and youth services. Professionals whose work relates to improving the diagnosis, care and understanding of childhood liver disease also benefit from the work of the Charity.

We work with children, young people and their families from birth up until the young person reaches the age of 25.

All of the Charity's services are open to all, irrespective of race, gender, religion, or sexual orientation. Most of the Charity's services are provided without charge to the individual beneficiary.

## **Governance**

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. The Trustees are the Directors and the only members of the company.

### **Trustees**

The Board of Trustees sets the strategic direction and is also responsible for ensuring compliance with the Charity's Objects and charity and company law. The Trustees are also Directors for the purpose of company law.

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 2018 identified that there was a need to recruit new trustees to the Board and the Board is delighted to announce the appointment of 4 new trustees: Dr Simon Colson, Ms Kate Dinwiddy, Mr Joel Glover and Professor James Neuberger as of 26 February 2019.

For all new trustees there is an induction process, which includes safeguarding training and all Trustees have a role description and are subject to a Code of Conduct. In addition to regular Board meetings, the Trustees receive regular updates and additional away days to focus on specific issues as required.

The Charity has a sub-committee; the Scientific Committee, which advises the Trustee Board on medical, scientific and research matters, assesses research grant applications and reviews grant reports. The Scientific Committee meets annually and is comprised of leading figures from the health and research community.

The Charity has a Conflict of Interest policy that all Trustees, staff and committee members must comply with. None of the Trustees has any beneficial interest in the Charity.

### **Risk Management**

The Trustees regularly review 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 and review of the reserves and investment policies

On-going review of the Charity's strategy, plans and operations ensures that risk management is an integral part of the operation of the Charity.

## **Management and Staffing**

The Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity and is accountable to the Board. In turn, the Chief Executive appoints the other members of the Senior Management Team and together they manage the Charity's activities.

All new members of staff are provided with a comprehensive induction programme, which includes safeguarding training. All roles have a detailed job description and annual staff appraisals are carried out in addition to more informal supervision meetings. Training requirements are primarily identified by reference to personal work-related objectives and other targets highlighted in the appraisals which are directly linked to the objectives of the Charity.

## **Strategic Direction**

In order to determine our objectives and focus, Children's Liver Disease Foundation held consultations with stakeholders and beneficiaries to develop a five-year strategic plan for 2015-2020. From the strategic plan annual operational plans are formulated which reflect the plan and ongoing risk management; this is further developed to achieve the objectives and monitor performance.

During 2019 the Charity will conduct an organisational review and a new consultation with stakeholders and beneficiaries to inform the 2020-2025 strategic plan.

## **Achievements and Performance**

### **Research**

Research lies at the heart of providing a brighter future for children with liver disease. CLDF recognises it has an important role in contributing to and encouraging a vibrant research environment. It does this through the provision of funds and the work of the newly established Research Hub project.

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.

### **Grants Programme**

CLDF ran two grant rounds in 2018. The first was an open grant round and the second a joint round in partnership with the British Society for Paediatric Gastroenterology, Hepatology and Nutrition (BSPHGAN).

The open grant round received nine applications for funding. The Scientific Committee met in September 2018 to consider applications. Four applications were awarded funding:-

- New non-invasive serological and virological markers of hepatitis B virus (HBV) – can they help to determine future chronic hepatitis B outcomes in children with perinatally acquired HBV infection

**Dr Ivana Carey, King's College Hospital**

**Grants Programme continued...../**

- Using Nuclear Magnetic Resonance (NMR) Spectroscopy to understand hepatic lipid metabolism in paediatric NAFLD  
**Dr Emer Fitzpatrick, King's College Hospital**
- The role of vascular adhesion protein-1 in the pathogenesis of chronic graft hepatitis and fibrosis after paediatric liver transplantation  
**Dr Steffen Hartleif, Birmingham Children's Hospital**
- Role of Sarcopenia in Paediatric Non-Alcoholic Fatty Liver Disease  
**Dr Erini Kyrana, Leeds Children's Hospital**

The jointly funded grant round with BSPHGAN received six applications. A panel formed of members from CLDF and BSPHGAN research committees reviewed the applications and three awards were made:-

- Using single cell sequencing to determine how bile ducts form: understanding the mechanisms to fight biliary atresia  
**Dr Luke Boulter, Institute of Genetics and Molecular Medicine, Edinburgh**
- In vivo liver genome editing for the treatment of alpha-1 antitrypsin deficiency  
**Professor Deborah Gill, John Radcliffe Hospital, University of Oxford**
- Lysophospholipid profiling of Fibrolamellar hepatocellular carcinoma and identification of novel therapeutic targets  
**Dr Gary Reynolds, Queen Elizabeth Hospital, Birmingham**

**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.

During 2018 we recruited an Information and Research Hub Manager to take the project forward. In late 2018, the Charity launched the Research Hub with a recruitment campaign to encourage family supporters and young people affected by childhood liver disease to become research hub members. During the period significant work was undertaken on the website to support dissemination of opportunities and research outcomes delivered in lay terms. Training for members has also been developed and liaison with researchers is ongoing.

**Continuing the research programme in 2019**

Following the success of the Grants programme in 2018, the Scientific Committee have agreed a similar open grant round in 2019. Grants will be made available for £10,000 and we envisage that a number of grants will be made.

A number of applications have been recently received for research into Donor Specific Antibodies (DSA) and transplant rejection. This is an area of considerable interest to the Committee and during 2019 a bespoke grant round for £20,000 grants to further understanding in this area will be made available.



**Continuing the research programme in 2019 continued...../**

CLDF will continue to increase opportunities for families and young people to learn more and be involved in research within the field through the Research Hub project.

In 2019 we will conduct a review of our Research funding programme to inform the 2020-2025 Strategic Plan.

**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.

The provision of information to children, young people and their families is critical. It empowers individuals and supports them to understand, accept and take responsibility for their liver condition.

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. Our leaflets and information are also available via our website and can be ordered from our central office.

In 2018 the Charity had a new website developed in order to support the dissemination of information and access to services.

**Medical and Support Information**

During the year we have continued to review and develop our medical and support leaflets to ensure they are concise, patient friendly and updated with the latest information. Newly developed and updated publications during 2018 include:-

Liver Disease – a guide for young people, Bereavement, Portal Hypertension and Ascites, and Progressive Familial Intrahepatic Cholestasis (PFIC)

During the year our medical, support and nutrition leaflets and information were made available in the variety of ways as described, with a 45,742 distribution across all means of access.

**Yellow Alert**

Our Yellow Alert resources help Primary Health Care professionals to spot the signs of liver disease in babies, enabling faster referral to specialist centres where expert care can be given. In 2018 we have continued our ongoing promotion of the campaign, alongside managing a full review with specialists of the scientific basis of the guidance and algorithms. The updated and rebranded resources will be available in early 2019.

## **The Transplant Story Book**

In late 2017 the Charity launched 'Joe's Liver Transplant Story' with the help of one of our wonderful parents, Saskie Dorman. 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 and tells the story of Joe from liver transplant assessment right through to recovery after the transplant. During 2018 the book has been used extensively, with 252 books distributed.

In September 2018 the Charity was honoured that the book won first prize in the Information for Children award from the British Medical Association. The award judges described 'Joe's Liver Transplant Story' as:-

*"A unique resource – vitally important in explaining a life-changing massive operation to young children....it deals with a sensitive topic in a way that is highly accessible to its target audience."*

To help promote the availability of information about childhood liver disease, our services and campaigns we exhibited at a range of conferences aimed at primary and specialist healthcare professionals in 2018.

## **CLDF's National Conference and Family Weekend 2018**

The conference took place in October 2018 in Stratford Upon Avon. It was a great opportunity for families to hear from the experts about the latest developments in the field of childhood liver disease, research and treatments, and to catch up with professionals, the CLDF team and most importantly other families. Delegates were able to join us for the whole weekend and after a packed programme, families were able to relax and share together with the Conference dinner, breakfast and shared activities on the Sunday.

114 delegates attended the conference with 70 children and young people attending the creche or enjoying a trip to Drayton Manor.

One of the highlights of the programme was a session designed and run by our young people to give parents practical advice on how to support children with liver disease during adolescence and young adulthood.

We are indebted to the medical professionals who gave up their time to support the event and the volunteers from the Round Table and St Johns Ambulance who accompanied the children on the Drayton Manor trip.

The conference received very positive feedback:-

*"Amazing location, great updates, good presentations. Fabulous information.....this is vital to us as a family. Liver disease in children is rare and we have no local support network. Seeing other children well and hearing experiences has got me through some very dark times and given me hope."*

## **Continuing the education and information programme in 2019**

The information leaflets redevelopment project will continue in 2019, with a robust maintenance programme.

New information resources will be developed during the year, to include:-

Resources for Hepatitis B, a Health Care Professional Pack to support the induction of new staff into the discipline and Education Support Resources to support families for each of the countries in UK.

During 2019 we will release updated Yellow Alert resources and conduct a project with the Welsh government to provide all Welsh Primary Healthcare teams with these resources.

In 2019 we will conduct a review of our education and information programme to inform the 2020-2025 Strategic Plan.

## **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' event programme
- Residential projects for young people
- One to one personal support for families and young people
- Clinic and Ward visits
- Introductory Packs and literature such as Liver Life
- Health Unlocked – CLDF's online forum
- Social networking

### **Hospital ward and clinic visits**

The Families and Young Peoples' teams have continued with the clinic visiting programme at hospitals across the UK. Attending 86 clinics across the country, the team connected with 715 families and young people in 2018.

Support and contact with families and young people has increased during the year:-

- 1,051 young people between 11 and 24 had contact with/support from CLDF during the year
- The Support Team also had 1,816 contacts with parents, friends and relatives

During the year we reviewed how we currently 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. As a result of this review we have introduced a new

**Hospital ward and clinic visits continued...../**

CLDF Scotland Support Officer role within the support team, to enable us to reach more families and young people in Scotland.

**Family Events**

We continued to deliver the events programme during 2018; the number of events decreased, but the family weekend offering remained a key focus of the programme. 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 with 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 in London, York, Wales and Gloucestershire and family weekends (including the conference weekend) across the UK. 464 people attended an event during the year.

*"Kids have had a great time. It's been really great to meet other families that know what you're talking about, understand and empathise – we don't know anyone else with similar experiences."* - Parent feedback from the weekend.

**Wild Camp**

We held our Weekend Wild Camp in June 2018. Attended by pairs of young people (aged 7-11 years ) and parent / carers the groups faced a 24- hour bushcraft survival experience in the heart of Derbyshire.

*"It was really helpful to meet with other families and share experiences. It was also just a very precious time with my daughter."* - Parent feedback.

**Residential Activities for young people**

**CLDF Breakaway**

CLDF Breakaway ran in May for 12-15 year olds from all over the UK. From team building skills 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:-

*"Thank you to all the staff on the trip for giving me a comfortable and fun environment to push myself and try new things. It was great fun and although I was apprehensive at first, I'm so glad I did it".*

## **Residential Activities for young people continued...../**

### **Talk, Tell, Transform**

Talk, Tell, Transform offers a space for young people (aged 16-18 yrs) with a liver disease to take time out, reflect on their life journey and create a film that represents them. This unique project brings young people together, helping them to build a strong community, supporting young people to reduce their isolation. Talk, Tell, Transform ran for the seventh time in 2018 and is a five-day residential project.

The digital story telling residential enables young people to share, in a safe environment, their feelings about being seriously ill. Trained staff helped them to share experiences. They developed relationships with peers who understood their situation, learning new skills such as how to express their emotions and stories in a positive way. As well as team-building exercises, the group are guided through the process of making a video to tell their story, devising, editing and producing the film. The participants are offered the opportunity to share their films.

Feedback from participant:-

*"Talk, Tell, Transform helped me talk about my feelings and get them off my chest. I've made new friends and really built my confidence, especially around talking about my condition to friends and doctors too!"*

Feedback from a parent:-

*".....after returning from the project there have been real changes..... he's far more confident and open about his condition and he's more independent, needing far less prompting about taking medication. Every parent should encourage their kids to attend if they get the chance."*

### **The CLDF Weekender**

The second CLDF Weekender was held at Derby University in August 2018. Young people (16-24 yrs) travelled 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, managing health and a fantastic drumming session. The programme was designed by some of the young people via a steering group and was very well received.

We are indebted to the team at Derby University for all the support given to the project and we hope to work with them again next year to build on the success of the project.

Feedback from participants:-

*"I have met many new people, built my confidence and learnt things which will help me manage my health."*

*"Meeting new people with similar conditions has supported me in feeling more confident about mine."*

### **Continuing the family and young peoples' programme in 2019**

We will continue to provide family weekends in Scotland, Wales and Northern Ireland 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 the effectiveness of the CLDF Scotland Support Officer post and explore whether the model should be expanded to other areas of the country to increase our engagement.

During 2019 we will review the provision of support to families and young people and conduct a consultation with all of our stakeholders to inform the 2020-2025 Strategic Plan.

### **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.

### **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 become 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 (NHSBT) 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 worked with a variety of external campaigns to instigate change. These include those run by the Obesity Health Alliance, which we have supported regarding sugar reduction initiatives and the need to restrict the placement of unhealthy food and drinks in high profile locations in supermarkets, in order to help families make healthier choices.

The Charity has supported a variety of changes to policy in relation to organ donation and moving to 'opt out' systems. We played an active role in consultations to develop policy and the scrutiny of bills defining these changes in England and Scotland. Additionally, we have lobbied the Department of Health to increase the resources available to the healthcare community to support increased liver transplantation across the UK and lobbied for the adoption of machine perfusion technology throughout the NHS.

CLDF has also campaigned throughout the year with a variety of partners to address decreases in and lack of public health funding, which is causing the significant decrease in Health Visitor numbers in the UK.

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.

**Representing Paediatric Liver Disease and the needs of patients continued...../**

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.

Work with the European Reference Networks for Rare Liver Disease and Transplant Child has continued throughout the year, alongside active membership of the implementation group for Welsh National Liver Strategy.

**Continuing the voice programme in 2019**

We will continue to work with organ related charities and NHSBT to promote the implementation of the new organ donation legislation and increase consent rates for organ donation.

Support for the Obesity Health Alliance and 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 will continue throughout 2019.

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.

We will respond to key issues and consultations as they arise and, during the year, we will review our policy work priorities and consult with stakeholders to develop our strategic plan for 2020-2025.

**Fundraising**

CLDF's small but passionate Fundraising Team works to provide income that can be used to deliver the charitable objectives of the Foundation. CLDF works across all traditional fundraising income streams and benefits hugely from funds raised by the families themselves.

Trusts and Grants continued to be a growth area for the Charity during the year, with a focus on seeking larger gifts and multi-year funding opportunities. During the year to December 2018 donations were received from 48 charitable trusts totalling £107,792. This included a significant grant from Children in Need for a three year project to support children and families affected by liver disease. 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
- Souter Charitable Trust £5,000
- The Basil Samuel Charitable Trust £5,000
- The Hedley Foundation £5,000
- The Eveson Charitable Trust: £8,000
- The Robertson Trust £10,000
- BBC Children in Need £24,992

**Fundraising continued...../**

Community fundraising performed well in 2018 with some very special family led events raising significant sums. An impressive variety of events took place throughout the year and the Fundraising Team rolled out a more personal approach to stewardship including personal calls to supporters and handwritten cards.

Recruitment for popular challenge events remained a priority in the year with the biggest challenge event fundraiser being the London Marathon, bringing in £65,347 in 2018. CLDF continued to promote charity places in a number of popular challenge events nationwide, and 2018 also saw the launch of the first MyMayMarathon virtual challenge event which raised £6,203.89.

*"MyMayMarathon 2018 had a profound effect on our friend who took part, he became so keen he went onto do a full marathon and very recently completed an Iron Man!"*

Corporate fundraising performed well in 2018 with significant income being received from the Tesco Bags for Life scheme; BP; and Bruntwood's charity partnership raising £10,000. £39,400 was received from Global Make Some Noise, a significant charity partnership secured in 2017. Significant work has been done to improve the stewardship and engagement on offer to our corporate partners and to widen our appeal in the sector.

**Continuing the development of income generation in 2019**

During 2019 the Charity will develop the supporter journey to improve communications and encourage repeat support and recruitment. Particular focus will be given to regular givers and people financially supporting the Charity through digital platforms. The personalisation of our stewardship of all our supporters will continue throughout the year.

The Charity will continue to seek multiyear grant opportunities with a focus on developing larger funding packages and overarching projects and themes.

We will develop a strong corporate offer with a focus on engaging the Birmingham business community and developing transformational programmes for large scale partnerships.

Recruitment of community fundraising volunteers to help raise awareness and income from local communities will continue, alongside trialling bold, new initiatives and ideas quickly and without heavy financial investment.

The team will work to deliver the biennial Chefs' Gala Dinner which will take place at The Jumeriah Carlton Tower in Knightsbridge in March 2019.

During the year we will conduct a thorough review of income generation, consulting with supporters and stakeholders to inform the 2020-2025 strategic plan.



## **Financial Review**

The Charity prepares an annual business plan and budget, produces monthly management accounts and makes 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 2018, £764,179 was 16.3% less than the year ended 31<sup>st</sup> December 2017. This is mainly due to the 2017 total including income from the biennial Chefs' Gala Dinner of £130,475; statutory funding of £21,194; a legacy of £44,000 and a donation of £44,000 from a trust upon its closure. Excluding income from our biennial Chefs' Gala Dinner from 2017 means that our core income in 2018 decreased by 2.4%. Although we acknowledge the challenging economic environment within which charities are still operating the Charity has been, and will continue, to develop streams of income as outlined in the Fundraising section of this report.

The principal sources of funding in 2018 were voluntary income of £750,243 of which £635,451 was received from supporters; £107,792 from charitable trusts (see Fundraising section) and £7,000 from legacies.

## **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 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) to be sufficient to cover three to six months' core expenditure. The Trustees, therefore, consider that, based on the 2019 budget, the ideal level of reserves at 31<sup>st</sup> December 2018 would be between £200,000 and £370,000.

The actual unrestricted fund, excluding the designated £30,000, at 31 December 2018 is £339,900. This equates to covering 5.5 months of core expenditure. 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 Chief Executive and senior management team comprise the key management personnel of the Charity. 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.

No director/trustee received remuneration or expenses in the year. There were no related party transactions in the year (see note 11).

## **Trustee 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 M Everard, G Sugden and K Redgate 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.

**Children's Liver Disease Foundation**

**Trustees' Report for the year ended 31 December 2018**

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**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**

**11 June 2019**

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 2018 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 2018 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.

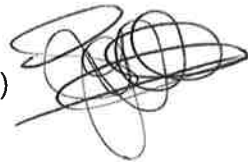
In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate 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](http://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

11 June 2019

# STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted Fund	Restricted Fund	Year Total 31.12.18	Year Total 31.12.17
		£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Income</b>					
Donations and legacies	4	587,473	162,770	750,243	897,618
Trading activities	4	900	-	900	1,950
Investments	4	13,026	10	13,036	13,723
<b>Total Incoming Resources</b>		<b>601,399</b>	<b>162,780</b>	<b>764,179</b>	<b>913,291</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of raising funds</b>					
Raising Funds		133,755	106	133,861	200,375
Trading activities		489	-	489	1,747
<b>Total</b>		<b>134,244</b>	<b>106</b>	<b>134,350</b>	<b>202,122</b>
<b>Charitable activities</b>					
Education and awareness campaigns	5	201,230	43,579	244,809	254,641
Provision of emotional support	5	220,210	87,942	308,152	290,929
Research grants and expenditure	5	49,896	19,866	69,762	100,690
<b>Total</b>		<b>471,336</b>	<b>151,387</b>	<b>622,723</b>	<b>646,260</b>
<b>Total expenditure</b>		<b>605,580</b>	<b>151,493</b>	<b>757,073</b>	<b>848,382</b>
Net (losses) on investments	14	(11,257)	-	(11,257)	(3,870)
<b>Net (expenditure) / surplus and net movement in funds for the year</b>		<b>(15,438)</b>	<b>11,287</b>	<b>(4,151)</b>	<b>61,039</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 January 2018		<b>385,338</b>	<b>125,363</b>	<b>510,701</b>	449,662
<b>Total funds carried forward at 31 December 2018</b>		<b>369,900</b>	<b>136,650</b>	<b>506,550</b>	510,701

The notes on pages 24 to 37 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.

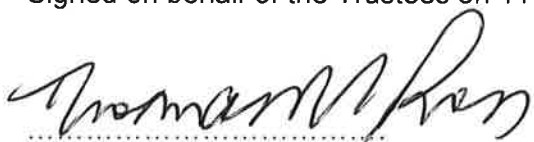
**BALANCE SHEET OF THE CHARITY AS AT 31 DECEMBER 2018**

	Note	£	31.12.2018 £	£	31.12.2017 £
<b>Fixed assets</b>					
Tangible assets	13		8,723		14,055
Investments	14		243,840		259,390
			<u>252,563</u>		<u>273,445</u>
<b>Current assets</b>					
Stock and inventory	15	5,865		4,616	
Cash and short-term deposits	16	465,146		578,098	
Debtors due within one year	17	76,109		92,155	
		<u>547,120</u>		<u>674,869</u>	
<b>Current liabilities</b>					
Creditors due within one year	18	<u>252,520</u>		<u>359,337</u>	
<b>Net current assets</b>			<u>294,600</u>		<u>315,532</u>
<b>Total assets less current liabilities</b>			<u>547,163</u>		<u>588,977</u>
Creditors due after more than one year	19		40,613		78,276
<b>Net assets</b>			<u>506,550</u>		<u>510,701</u>
<b>Represented by</b>					
Restricted Funds	22		136,650		125,363
Unrestricted Funds	22		339,900		385,338
Designated Funds	22		30,000		0
<b>Total Funds</b>			<u>506,550</u>		<u>510,701</u>

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 24 to 37 form part of these financial statements.

Signed on behalf of the Trustees on 11 June 2019.



**Mr T M Ross OBE**



**Mrs M Everard**



**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018**

	<b>Note</b>	<b>31.12.2018 £</b>	<b>31.12.2017 £</b>
<b>Cash used in operating activities</b>	<b>24</b>	<b>(128,040)</b>	<b>(45,844)</b>
<b>Cash flows from investing activities</b>			
Interest Income		13,036	13,723
Disposal of investments		55,929	43,273
Purchase of investments		(51,636)	(40,724)
Purchase of tangible fixed assets		(2,241)	(10,293)
<b>Cash provided by investing actions</b>		<b>15,088</b>	<b>5,979</b>
<b>(Decrease) in cash and cash equivalents in the year</b>		<b>(112,952)</b>	<b>(39,865)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>578,098</b>	<b>617,963</b>
<b>Total cash and cash equivalents at the end of the year</b>		<b>465,146</b>	<b>578,098</b>

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**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 deficit of £4,151. The trustees have reviewed the five-year strategy report, the budgets for 2019 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.

The financial statements for the year to 31 December 2018 consist of the Charity's SOFA and a balance sheet for the Charity as do the comparative financial statements for the year to 31 December 2017.

**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 2018 the trustees designated £30,000 of the unrestricted fund towards research.

**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.

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**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.

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**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 £6,534 (Year to 31.12.2017 £8,151).

## 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 (Year to 31.12.2017 £6,600).

**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 2018 is for the Charity only as is the comparative year. 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**

	<b>Year</b>	<b>31.12.18</b>		<b>Year</b>	<b>31.12.17</b>	
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
<b>Incoming Resources</b>	£	£	£	£	£	£
<b>Donations &amp; legacies</b>						
Donations	573,373	62,078	635,451	522,242	76,907	599,149
Income from Chefs Gala Dinner	-	-	-	116,325	14,150	130,475
Statutory Funding	-	-	-	-	21,194	21,194
Charitable Trusts	7,100	100,692	107,792	53,350	47,450	100,800
Legacies	7,000	-	7,000	46,000	-	46,000
	<b>587,473</b>	<b>162,770</b>	<b>750,243</b>	<b>737,917</b>	<b>159,701</b>	<b>897,618</b>
<b>Trading activities</b>						
Sales of merchandise	<b>900</b>	-	<b>900</b>	<b>1,950</b>	-	<b>1,950</b>
<b>Investments</b>						
Listed securities - UK	12,191	-	12,191	13,528	-	13,528
Listed securities-Overseas	487	-	487	121	-	121
Bank interest	348	10	358	71	3	74
	<b>13,026</b>	<b>10</b>	<b>13,036</b>	<b>13,720</b>	<b>3</b>	<b>13,723</b>
<b>Total</b>	<b>601,399</b>	<b>162,780</b>	<b>764,179</b>	<b>753,587</b>	<b>159,704</b>	<b>913,291</b>

## 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 – release of grant not utilised	-	-	-5,119	-5119
Small grants programme	-	-	46,458	46,458
Research Hub – working with stakeholders & medical professionals	-	-	10,066	10,066
Working with beneficiaries and stakeholders	35,701	100,347	-	136,048
Medical Conferences	8,887	-	-	8,887
National Conference & Family Weekend	38,029	-	-	38,029
Communications, awareness, representation and campaign activity	56,678	24,577	2,003	83,258
Provision of information via literature and packs	38,391	-	-	38,391
Family Event programme	-	40,863	-	40,863
Residential activities for young people	-	41,804	-	41,804
Attendance at hospital clinics	-	33,438	-	33,438
Support costs (note 6)	53,607	53,607	12,975	120,189
Governance costs (note 6)	13,516	13,516	3,379	30,411
<b>Total</b>	<b>244,809</b>	<b>308,152</b>	<b>69,762</b>	<b>622,723</b>

Expenditure on charitable activities was £622,723 (year to 31.12.2017: £646,260) of which £471,336 was unrestricted (year to 31.12.2017: £516,345) and £151,387 was restricted (year to 31.12.2017: £129,915).

## 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	32,576	22,761	55,337	9,795	On time allocation
Property	49,237	-	49,237	-	Occupancy
I T	12,223	-	12,223	3,056	Staff numbers
General Office	26,153	-	26,153	2,906	Staff numbers
Audit	-	6,000	6,000	-	Governance
Legal & other professional fees	-	1,650	1,650	1,402	Staff numbers
<b>Total</b>	<b>120,189</b>	<b>30,411</b>	<b>150,600</b>	<b>17,159</b>	

**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	31.12.18	31.12.17
	£	£
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**

	31.12.18 £	31.12.17 £
Net- outgoing resources are stated after charging:		
Depreciation on owned assets	7,573	8,624
Auditor's remuneration for the statutory audit	6,000	5,200
Operating leases	<u>40,432</u>	<u>44,247</u>

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

	31.12.18 £	31.12.17 £
Salaries	389,322	393,632
Social security costs	31,727	35,504
Pension costs (defined contribution schemes)	12,834	14,751
	<u>433,883</u>	<u>443,887</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 Head of Support, the Head of Fundraising and the Finance Manager. The total of employee benefits of key management personnel of the Charity was £176,611 (year to 31.12.2017: £184,962).

**10 Staff numbers**

The average monthly number of employees during the year was 12 (31.12.2017 : 12) and the average number of full-time equivalent employees during the year was:

Average number of employees by category:	31.12.18 No.	31.12.17 No.
Family Support	4	4
Information & Raising Awareness	2	2
Research	1	1
Raising Funds	3	3
Infrastructure	2	2
	<u>12</u>	<u>12</u>

The Trustees were not paid nor received any emoluments or benefits during the year (year to 31.12.2017 £Nil). Neither were the trustees reimbursed for their expenses in the year (31.12.2017 £Nil).

## NOTES TO THE FINANCIAL STATEMENTS

**10 Staff numbers (continued)**

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:-

	31.12.18 No.	31.12.17 No.
£60,001 - £70,000	<u>1</u>	<u>1</u>

**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 £
<b>Charity</b>			
Cost			
As at 1 January 2018	82,327	42,193	124,520
Additions	-	2,241	2,241
Disposals	(33,248)	(1,141)	(34,389)
At 31 December 2018	<u>49,079</u>	<u>43,293</u>	<u>92,372</u>
Depreciation			
At 1 January 2018	80,677	29,788	110,465
Charge for the year	600	6,973	7,573
Disposals	(33,248)	(1,141)	(34,389)
At 31 December 2018	<u>48,029</u>	<u>35,620</u>	<u>83,649</u>
Net book value			
At 31 December 2018	<u>1,050</u>	<u>7,673</u>	<u>8,723</u>
At 31 December 2017	<u>1,650</u>	<u>12,405</u>	<u>14,055</u>

## NOTES TO THE FINANCIAL STATEMENTS

## 14 Investments

<b>Shares in subsidiary</b>	<b>31.12.18</b>	<b>31.12.17</b>
Cost	£	£
At 1 January 2018 and at 31 December 2018	<u>2</u>	<u>2</u>

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.

<b>UK quoted - Fixed interest bonds</b>	<b>31.12.18</b>	<b>31.12.17</b>
	£	£
Market Value at 1 January 2018	259,388	265,807
Disposals	(55,929)	(43,273)
Purchases	51,636	40,724
Realised (losses) on disposal	(416)	(1,703)
Net unrealised (losses)	(10,841)	(2,167)
Market value at 31 December 2018	<u>243,838</u>	<u>259,388</u>
Historical cost as at 31 December 2018	<u>236,314</u>	<u>235,178</u>

## 15 Stock and inventory

	<b>Charity</b>	
	<b>31.12.2018</b>	<b>31.12.2017</b>
	£	£
Stock of literature	3,845	3,157
Goods for resale	2,020	1,459
	<u>5,865</u>	<u>4,616</u>

## 16 Analysis of cash and cash equivalents

	<b>Charity</b>	
	<b>31.12.2018</b>	<b>31.12.2017</b>
	£	£
Cash in hand	151	1,392
Current accounts	461,901	574,780
Cash held by Investment management Company	3,094	1,926
	<u>465,146</u>	<u>578,098</u>

## 17 Debtors due within one year

	<b>Charity</b>	
	<b>31.12.2018</b>	<b>31.12.2017</b>
	£	£
Taxation recoverable	1,500	6,000
Prepayments and accrued income	74,609	86,155
	<u>76,109</u>	<u>92,155</u>

## NOTES TO THE FINANCIAL STATEMENTS

## 18 Creditors due within one year

	Charity	
	31.12.2018	31.12.2017
	£	£
Research grants (note 21)	88,249	211,111
Accruals	154,030	138,203
Taxes and social security	10,241	10,023
	<u>252,520</u>	<u>359,337</u>

## 19 Creditors due after more than one year

	Charity	
	31.12.2018	31.12.2017
	£	£
Research grants (note 21)	<u>40,613</u>	<u>78,276</u>

## 20 Analysis of net assets between funds

	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Fund balances at 31 December 2018 are represented by:-			
Tangible fixed assets	-	8,723	8,723
Investments	-	243,840	243,840
Current assets	146,450	400,670	547,120
Current liabilities	(9,800)	(242,450)	(252,250)
Creditors due after 1 year	-	(40,613)	(40,613)
Total net assets	<u>136,650</u>	<u>369,900</u>	<u>506,550</u>

## NOTES TO THE FINANCIAL STATEMENTS

**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.

	31.12.18	31.12.17
<b>Project Reference</b>	<b>£</b>	<b>£</b>
2013 CLDF grant award – joint research project in Hepatology	1,327	22,360
2014 CLDF grant – Professor Paul Gissen - UCL Institute of Child Health: Development of Gene Therapy in Arthrogryposis, Renal Dysfunction and Cholestasis Syndrome	-	79,619
2015 CLDF grant – Professor Amin Rostami-Hodjegan, University of Manchester: optimising drug regimens in paediatric liver disease using experimentally-derived simulation tools	29,076	42,639
2016 CLDF grant – Professor David Wraith, University of Birmingham: Development of biomarkers and novel therapeutics in autoimmune hepatitis type 2	76,159	94,769
2017 CLDF authorised grant expenditure	12,500	50,000
2017 CLDF grant – Dr Luke Boulter, Institute of Genetics and Molecular Medicine: using single cell sequencing to determine how bile ducts form	9,800	-
	<b>128,862</b>	<b>289,387</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 22 Analysis of charitable funds

## Analysis of movements in unrestricted funds

	Movement in Funds		
	At 1 January 2018	Incoming	Outgoing
	£	£	£
General Fund	385,338	601,399	616,837
<b>Total</b>	<b>385,338</b>	<b>601,399</b>	<b>616,837</b>

Name of unrestricted fund	Description, nature and purposes of the fund
General Fund	The "free" reserves after allowing for all designated funds
Designated Fund	The reserves designated by the trustees for the purpose of funding research

## 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 2018	Incoming	Outgoing
	£	£	£
Research into biliary atresia fund	15,167	10	(9,800)
Department of Health, Section 64 Hepatitis B	10,323	-	(10,323)
Clinic Visits – 2017	1,466	4,500	(5,966)
Children in Need :Talk, Tell, Transform Workshop 2017	1,738	-	(1,738)
Family Events	750	8,000	(8,750)
Research hub	61,220	-	(10,066)
Website	5,505	-	(3,637)
Clinic Visits – 2018	8,000	700	(3,040)
Welsh government funding of liver strategy	21,194	-	(4,357)
Christmas 2017 Appeal – Family Services	0	858	(858)
Scottish Family Event Weekend 2018 YP Events	0	12,500	(12,500)
Children in Need :Children & Families Officer post	0	21,820	(19,320)
Global Make Some Noise – funding for family and YP events	0		
National Conference & Family Weekend	0	24,992	(12,996)
Yellow Alert literature	0	39,400	(26,957)
Scottish Family Event Weekend 2019	0	19,000	(19,000)
Remote Support Workers – England	0	2,500	-
Remote Support Workers – Scotland	0	3,000	-
Project - development of volunteers	0	14,000	-
<b>Total</b>	<b>125,363</b>	<b>162,780</b>	<b>151,493</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 23 Research commitments

At 31 December 2018, 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

	31.12.18 £	31.12.17 £
Net movement in funds	(4,151)	61,039
Depreciation charge	7,573	8,624
Interest income shown in investing activities	(13,036)	(13,723)
Losses in valuation of investments	11,257	3,870
Decrease in stock	(1,249)	3,290
Decrease in debtors	16,046	6,560
(Decrease) in creditors	(144,480)	(115,504)
<b>Net cash used in operating activities</b>	<b>(128,040)</b>	<b>(45,844)</b>

### 25 Financial commitments

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

	31.12.18 £	31.12.17 £
Expiring within five years		
– broadband contract	5,200	5,200
– serviced office rental	<u>40,400</u>	<u>40,400</u>

### 26 Future commitments

At 31 December 2018 the Charity has charged all expenditure on research grants in the financial statements. There are currently no further commitments.

At 31 December 2018 the general fund (excluding the designated £30,000) was £339,900; this equates to 5.5 months of cover for core expenditure which is in line with the Trustees' reserves policy of covering core expenditure for three to six months.

