

MARTHA TRUST HEREFORD LIMITED

England & Wales · Charity number 1053448

Details

Status	Registered
Legal form	Charitable company
Company number	03164820
Registered	1996-03-01
Register	View on the Charity Commission register

Contact

Address	Hampton Green Old Eign Hill Hereford HR1 1UB
Phone	01432279314
Email	sue@marthatrusthereford.org.uk
Website	www.marthatrusthereford.co.uk

Activities

Objects: THE RELIEF OF MENTALLY AND PHYSICALLY HANDICAPPED PERSONS BY THE PROVISION OF FACILITIES FOR THEIR CARE AND WELFARE

Activities: Martha Trust has two care homes for people with profound and complex disabilities. Each home has 14 bedrooms offering lifelong care. It is our philosophy that all residents should enjoy every day of their lives. We offer various activities including:- aromatherapy, hydrotherapy, music, physiotherapy, occupational and speech and language therapy.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Disability
- **Who:** Children/young People, People With Disabilities

Geography

- **Area of benefit:** IN PRACTICE, IN AND AROUND HEREFORDSHIRE
- Herefordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,238,920	£5,309,106	£8,820,972	134
2024-03-31	£4,921,472	£5,176,932	£8,891,158	113
2023-03-31	£4,695,782	£4,318,596	£9,146,618	106
2022-03-31	£4,389,239	£4,095,808	£8,802,201	139
2021-03-31	£4,222,223	£4,421,004	£8,508,770	142

Trustees

Name	Role	Appointed
MR R E L SMITH	Chair	1998-03-03
ALASTAIR CHARLES STEWART		1999-02-18
LUCINDA MARIE MILLICENT SHARP SMITH		2013-01-07
MR W SOMERS		2005-04-20
SARAH JOSEPHINE SHARP-SMITH		1998-03-03
SUSAN FRANCES SMITH BA HONS		1998-03-03

MARTHA TRUST HEREFORD LIMITED

England & Wales - Charity number 1053448

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2025
for
Martha Trust Hereford Limited

Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Contents of the Financial Statements
for the Year Ended 31 March 2025

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity was established in 1996 to provide care for children and adults with complex and profound mental and physical disabilities. In 1997 Martha House, a custom-designed home, was opened providing nursing and one to-one care to residents. In 2012, the increased demand for the services offered at Martha House led to the decision to build a second home, Sophie House, in close proximity to the original home. The Charity aims to provide the highest possible quality of care enabling the residents to develop to their own full potential.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Significant activities

Martha House

The latest CQC inspection was 4 May 2023 all lines of inspection were rated as good. The home has fourteen lifelong residents. The staff ensure that the residents have a busy but enjoyable time. The registered manager is responsible for the home residents and staff. The therapy team works very closely with the care team. Each resident has an individual activity programme specifically developed for their needs.

Sophie House

The latest CQC inspection was December 2018 with a paper review carried out on 6 July 2023 all lines of inspection were rated good. The home has fourteen lifelong residents. The activities available are similar to those provided at Martha House. Each home has a team of nurses and carers. The therapy team works across both sites.

Public benefit

Martha Trust Hereford Limited offers lifelong care which is funded by the fees paid by the Commissioning authority, a Council or Integrated Care Board or jointly funded package of care.

STRATEGIC REPORT

Achievements and performance

The financial year ending 31 March 2025 proved to be a very busy time for the Charity. At March 2025 Martha House had 14 residents with no empty beds. Sophie House had 13 lifelong residents (due to death of 1 resident in Dec 24).

Recruitment for nursing and care staff continues to be challenging due to the nationwide shortage. The Charity continues to offer a bursary scheme for staff expressing an interest in undertaking a nursing degree. In addition to the financial benefits of the project, the individual works for the Charity during their university course and gains experience in care to expand on their skills. The scheme guarantees the individual a position once they have obtained their degree.

The Nursing Associate Training Programme has now completed for the Trust and has proved to be very successful and beneficial. By March 2025 all 7 Nursing Associate Trainees had completed their training and were employed by the Trust. Of these, 2 individuals were enrolled on Registered Nurse Training top up and a further 4 intend to begin this degree route in 2025/26. The Charity offers trainee Nurse Associates from other localities the opportunity to undertake their learning disability placements in one of our homes which could lead to the recruitment of qualified Nurse Associates in the future.

The success of the charity in achieving its goals is largely measured and monitored against the many and varied requirements set out by the Care Quality Commission. The Trustees seek to ensure the charity provides high quality care within the learning disability care and services sector with the continual aim of achieving an 'outstanding' award for the work undertaken.

STRATEGIC REPORT

Financial review

Principal funding sources

Residents' fees are the principal funding source and are fully expended in meeting the objectives. An intensive analysis of the residents' current care needs and thus the staffing requirements to meet those needs, continues to be carried out to ensure that the fee levels are commensurate with the care plans.

Reserves policy

The results for the year show net outgoing resources of £70,186 (2024: £255,460). Net assets amounted to £8,820,972 (2024: £8,891,158).

Unrestricted funds are generated where there is no stipulation from the donor as to how the income may be spent.

The Trustees have identified the need to maintain some reserves for set purposes and have designated reserves as follows:

In 2022 the Trustees had set aside an operational reserve of £220,000. This was to cover any unplanned structural repairs or replacement of equipment or loss of income. In addition in 2022 £100,000 had been set aside as a Sophie House fund for upcoming maintenance and works planned.

In 2023 a further £1,000,000 has been designated within the year also for future repairs and upgrades at both Sophie and Martha House. None of these funds have been spent in the year.

A Fixed Asset reserve comprises of the funds invested in fixed assets to allow the Charity to carry out its work. At 31 March 2025 the level of this reserve was £3,225,719 (2024: £3,327,027) (the book value of fixed assets that are not funded from restricted funds). At 31 March 2025 the restricted funds amounted to £1,287,961 (2024: £1,287,961).

As at 31 March 2025 undesignated free reserves amounted to £2,950,731 (2024: £2,956,170).

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Principal risks and uncertainties

The care provided by Martha Trust Hereford Limited is funded by the fees paid by the Local Authority or Integrated Care Boards. The economic downturn has led to the failure of the public sector to provide increases in fees for the majority of vulnerable people living in care facilities. The Trustees are fully aware of this potential risk and it is being managed by the Trust Director and the Trustees.

These factors mean that the reserves held by the Charity need to reflect these potential risks. The Charity provides lifelong care to our residents and the Trustees need to ensure the Charity is financially stable to meet their future needs.

The Trust Director and management team continue to work together with the Care Quality Commission to ensure the service provided is safe, caring, responsive, effective and well led.

STRATEGIC REPORT

Plans for Future periods

The Trust will continue to provide a loving, safe and secure home environment for our residents. To help us maintain our high quality of care we will encourage staff to develop their own individual potential.

The annual survey to the parents and staff will be undertaken;

The policies and procedures will be reviewed as required;

The required audits will be completed as directed by the Commissioning Authorities, CQC and Internal reviews.

The Trustees have set aside funds for planned expenditure during the next financial year on the following items:

" Refurbishment of the therapy kitchen at Martha House & Sophie House

" Refurbishment of all bathrooms, toilets and sluice room at Sophie House

" Refurbishment of all sink areas in residents' bedrooms at Sophie House

" Refurbishment of 1 bathroom at Martha House

" Extension to Martha House to provide more useable resident space, more storage and more office space

" Canopy / outside room to be installed at Sophie House

Staffing

It has been established by the Government and the Care Quality Commission that there is a nationwide shortage of nurses and care staff. Martha Trust will continue to advertise all vacant posts as required however this is a nationwide concern with the population living longer and care homes being financially pressured by the lack of funding within the adult social care environment.

Quality

A Health & Safety / Facilities lead continues to review all the policies and procedures required by the homes. A timetable is produced detailing all the regular audit reports, which are undertaken both internally and also by external agencies.

Purchasing authorities complete contract monitoring visits annually. A questionnaire will be issued to the parents, staff and purchasing authorities as a quality monitoring tool.

Structure, governance and management

The charity is a company limited by guarantee and as such is governed by its Memorandum and Articles of Association in accordance with the Companies Act 2006. It was incorporated on 21 February 1996.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R E L Smith Esq

Miss S F Smith

Mrs S J Sharp-Smith

A C Stewart Esq

S W Somers Esq

Ms L M Sharp-Smith

Recruitment and appointment of new Trustees

Potential Trustees are carefully selected from local people who have the required background and experience and who are likely to have a long-standing interest in the work of the Charity. They are approached personally by existing Trustees. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

STRATEGIC REPORT

The Trustees consider six Trustees to be appropriate, in number, skill mix and in their contribution to the running of the Charity and the homes. There are no plans to appoint further Trustees at present. As it becomes necessary, the Trustees will determine potential candidates who, if willing to stand, will be considered by interview with the full Board. All Trustees submit DBS (Disclosure and Barring Service) disclosure applications.

Induction and training of new Trustees

An appropriate candidate is given an induction programme that includes an in-depth tour of both homes and discussions with the existing Trustees and senior management team. The successful appointee is given a portfolio of financial, governance and Charity Commission documents and is guided through the Board and management meetings providing an insight into the work of the Charity and the roles of individual managers. They are introduced informally to all staff, residents and families.

Management and staffing

The Charity is managed by the Trust Director Dr Lisa Purslow. Chris Turney the Registered Manager of Sophie House and Martha House is responsible for the clinical operation of the two homes. Each home has a Care Manager and Deputy Home Manager.

Sufficient staff are employed to generally facilitate one to one care. Each resident has a primary nurse, senior carer and key carers who provide continuity of care.

The day is divided into three shifts with at least one registered nurse on duty for each shift at each home. The waking night shift is staffed by a nurse with two carers and there is an on-call rota for nurses and managers in case of emergency. Extra staff will work at night when a resident is ill and requires one to one care throughout the night shift either in the home or the hospital. Other employed staff include; cooks, housekeepers, maintenance, gardening and administration.

The primary nurses and senior care staff on both sites plan, monitor and evaluate the activities which take place throughout the day. A team of professional therapists and the care staff provide a wide range of activities ensuring a balanced daily activity programme for each resident. This is complemented by social activities and outings.

Key management remuneration

The salaries for all senior managers are agreed by the Trustees and reviewed annually. Costed proposals are forwarded to the Trustees and these consider the economic climate, including risks associated with the lack of funding in adult social care and the effect this has on the income for the charity, local trends and length of time in service. The registered manager, care managers and their deputies have detailed roles and responsibilities against which their performance can be measured.

Related parties

The Charity works closely with the Care Quality Commission (CQC), County Councils, Integrated Care Boards (ICB's) and all local and national agencies.

Martha Trust is one of very few providers of highly specialise care for individuals with profound and multiple learning and physical disabilities, particularly in relation to its ability to encompass children with adults in such a homely setting. Unlike most homes, the Trust has no age limit or geographical boundary and can therefore accept referrals from across the United Kingdom.

The Charity owns all the issued share capital of Martha Hereford (Developments) Limited, a Company incorporated in the United Kingdom. The Company was incorporated on 24 August 2009 to design and construct the second home on behalf of the Charity. The Company ceased trading on 31 March 2016. The company was dissolved on 9 January 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a company limited by guarantee and as such is governed by its Memorandum and Articles of Association in accordance with the Companies Act 2006. It was incorporated on 21 February 1996.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R E L Smith Esq

Miss S F Smith

Mrs S J Sharp-Smith

A C Stewart Esq

S W Somers Esq

Ms L Sharp-Smith

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03164820 (England and Wales)

Registered Charity number
1053448

Registered office
Hampton Green
Old Eign Hill
Hereford
HR1 1UB

Trustees
Miss S F Smith
R E L Smith
S W Somers
A C Stewart
Ms S J Sharp-Smith
Ms L Sharp-Smith

Company Secretary
Miss S F Smith

Auditors
Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

Harrison Clark Rickerbys
Ellenborough House
Wellington Street
Cheltenham
Gloucestershire
GL20 1TD

Bankers

Lloyds Bank Plc
38 Blue Boar Row
Salisbury
Wiltshire
SP1 1DB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Martha Trust Hereford Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

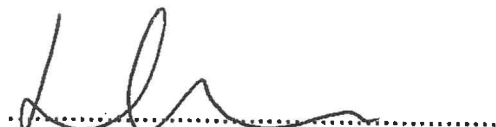
Martha Trust Hereford Limited

Report of the Trustees
for the Year Ended 31 March 2025

AUDITORS

The auditors, Thorne Widgery Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12/12/25..... and signed on the board's behalf by:


.....
Ms L Sharp-Smith - Trustee

Opinion

We have audited the financial statements of Martha Trust Hereford Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- o Enquiring of trustees, management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- o Reading meeting minutes.
- o Considering performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation, the Charities Act legislation and guidance issued by CQC and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of other legislation recognising the nature of the Charity's activities.

Report of the Independent Auditors to the Members of
Martha Trust Hereford Limited

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our 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 our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lisa Weaver FCCA (Senior Statutory Auditor)
for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: 16/12/25.....

Statement of Financial Activities
for the Year Ended 31 March 2025

	Notes	Unrestricted funds £	Restricted fund £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	49,577	-	49,577	70,860
Charitable activities	4				
Lifelong care for people with profound intellectual and physical disabilities		5,064,166	-	5,064,166	4,746,164
Investment income	3	125,177	-	125,177	104,448
Total		<u>5,238,920</u>	<u>-</u>	<u>5,238,920</u>	<u>4,921,472</u>
EXPENDITURE ON					
Charitable activities	5				
Lifelong care for people with profound intellectual and physical disabilities		<u>5,309,106</u>	<u>-</u>	<u>5,309,106</u>	<u>5,176,932</u>
NET INCOME/(EXPENDITURE)		(70,186)	-	(70,186)	(255,460)
RECONCILIATION OF FUNDS					
Total funds brought forward		7,603,197	1,287,961	8,891,158	9,146,618
TOTAL FUNDS CARRIED FORWARD		<u><u>7,533,011</u></u>	<u><u>1,287,961</u></u>	<u><u>8,820,972</u></u>	<u><u>8,891,158</u></u>

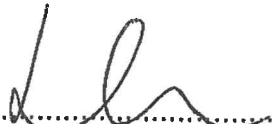
The notes form part of these financial statements

Martha Trust Hereford Limited

Balance Sheet
31 March 2025

	Notes	Unrestricted funds £	Restricted fund £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Tangible assets	12	3,934,479	579,201	4,513,680	4,614,988
CURRENT ASSETS					
Debtors	13	423,713	-	423,713	308,830
Cash at bank and in hand		3,373,938	708,760	4,082,698	4,157,883
		<u>3,797,651</u>	<u>708,760</u>	<u>4,506,411</u>	<u>4,466,713</u>
CREDITORS					
Amounts falling due within one year	14	(199,119)	-	(199,119)	(190,543)
NET CURRENT ASSETS		<u>3,598,532</u>	<u>708,760</u>	<u>4,307,292</u>	<u>4,276,170</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,533,011</u>	<u>1,287,961</u>	<u>8,820,972</u>	<u>8,891,158</u>
NET ASSETS		<u>7,533,011</u>	<u>1,287,961</u>	<u>8,820,972</u>	<u>8,891,158</u>
FUNDS	15				
Unrestricted funds:					
General fund				2,950,731	2,956,170
Designated				4,582,280	4,647,027
				<u>7,533,011</u>	<u>7,603,197</u>
Restricted funds				<u>1,287,961</u>	<u>1,287,961</u>
TOTAL FUNDS				<u>8,820,972</u>	<u>8,891,158</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12/12/25 and were signed on its behalf by:


.....
L Sharp-Smith - Trustee

The notes form part of these financial statements

Martha Trust Hereford Limited

Cash Flow Statement
for the Year Ended 31 March 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	(75,602)	(241,249)
Net cash used in operating activities		(75,602)	(241,249)
Cash flows from investing activities			
Purchase of tangible fixed assets		(135,624)	(192,396)
Sale of tangible fixed assets		10,864	-
Sale of fixed asset investments		-	1
Interest received		125,177	104,448
Net cash provided by/(used in) investing activities		417	(87,947)
Change in cash and cash equivalents in the reporting period		(75,185)	(329,196)
Cash and cash equivalents at the beginning of the reporting period		4,157,883	4,487,079
Cash and cash equivalents at the end of the reporting period		4,082,698	4,157,883

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.25 £	31.3.24 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(70,186)	(255,460)
Adjustments for:		
Depreciation charges	236,183	218,766
Profit on disposal of fixed assets	(10,115)	-
Interest received	(125,177)	(104,448)
Increase in debtors	(114,883)	(125,772)
Increase in creditors	8,576	25,665
Net cash used in operations	<u>(75,602)</u>	<u>(241,249)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank and in hand	4,157,883	(75,185)	4,082,698
	<u>4,157,883</u>	<u>(75,185)</u>	<u>4,082,698</u>
Total	<u>4,157,883</u>	<u>(75,185)</u>	<u>4,082,698</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Income from grants and government grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

Interest is included when received by the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings 2%, 15% and 20% straight line
Property improvements 2%, 5%, 15% and 20% straight line
Plant and equipment 15% straight line
Fixtures and fittings 15% and 33% straight line
Motor vehicles 25% straight line and 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Capitalisation policy of fixed assets is set at £1,000.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2. DONATIONS AND LEGACIES

	31.3.25	31.3.24
	£	£
Donations & Grants	49,577	70,860
	<u> </u>	<u> </u>
Grants receivable for core activities		
	2025	2024
Nurse training grant	27,290	55,300
Apprenticeship Funding	-	8,300
	<u>27,290</u>	<u>63,600</u>
Donations received in the year amounted to £22,284 (2024: £7,260)		

3. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Deposit account interest	125,177	104,448
	<u> </u>	<u> </u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.25 £	31.3.24 £
Invoiced Patient Care	Lifelong care for people with profound intellectual and physical disabilities	5,064,166	4,746,164

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Lifelong care for people with profound intellectual and physical disabilities	4,563,129	745,977	5,309,106

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.25 £	31.3.24 £
Staff costs	4,359,471	4,281,237
Rates, water & waste disposal	43,880	40,860
Light and heat	124,391	107,478
Insurance	35,387	55,807
	4,563,129	4,485,382

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Lifelong care for people with profound intellectual and physical disabilities	717,822	28,155	745,977

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.25 £	31.3.24 £
Audit Fees	6,825	6,500
Depreciation - owned assets	236,183	218,767
Surplus on disposal of fixed assets	(10,115)	-

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

10. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	3,953,459	3,882,665
Social security costs	340,187	331,516
Other pension costs	70,601	71,832
	<u>4,364,247</u>	<u>4,286,013</u>

Key Management Remuneration paid for the year ended 31/03/2025 was: £221,687 (31/03/2024: £412,272).

This consists of the Trust Director, Registered Manager, Manager of Sophie House and Manager of Martha House and HR manager. The prior year also included Deputy Trust Director and Director of Care.

Full time equivalent employees - analysed by function

	2025	2024
Patient Care	108	110
Management & Admin	<u>12</u>	<u>14</u>
Total	<u>120</u>	<u>124</u>

The average monthly number of employees during the year was as follows:

	31.3.25	31.3.24
Full Time (more than 30 hours per week)	82	80
Part Time (30 hours or less per week)	52	33
	<u>134</u>	<u>113</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.25	31.3.24
£60,001 - £70,000	1	2
£80,001 - £90,000	-	1
	<u>1</u>	<u>3</u>

The current year and prior year both include the director of care. But the prior year also includes the manager of sophie house and a night nurse.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	15,560	55,300	70,860
Charitable activities			
Lifelong care for people with profound intellectual and physical disabilities	4,746,164	-	4,746,164
Investment income	104,448	-	104,448
Total	<u>4,866,172</u>	<u>55,300</u>	<u>4,921,472</u>
EXPENDITURE ON			
Charitable activities			
Lifelong care for people with profound intellectual and physical disabilities	<u>5,121,632</u>	<u>55,300</u>	<u>5,176,932</u>
NET INCOME/(EXPENDITURE)	(255,460)	-	(255,460)
RECONCILIATION OF FUNDS			
Total funds brought forward	7,858,657	1,287,961	9,146,618
TOTAL FUNDS CARRIED FORWARD	<u>7,603,197</u>	<u>1,287,961</u>	<u>8,891,158</u>

12. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Improvements to property £	Plant and machinery £
COST			
At 1 April 2024	5,602,278	532,760	85,589
Additions	-	40,776	-
Disposals	(828)	-	(2,118)
At 31 March 2025	<u>5,601,450</u>	<u>573,536</u>	<u>83,471</u>
DEPRECIATION			
At 1 April 2024	1,684,864	154,766	77,284
Charge for year	112,118	19,914	760
Eliminated on disposal	(264)	-	(2,117)
At 31 March 2025	<u>1,796,718</u>	<u>174,680</u>	<u>75,927</u>
NET BOOK VALUE			
At 31 March 2025	<u>3,804,732</u>	<u>398,856</u>	<u>7,544</u>
At 31 March 2024	<u>3,917,414</u>	<u>377,994</u>	<u>8,305</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

12. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2024	797,921	200,930	7,219,478
Additions	94,848	-	135,624
Disposals	(22,351)	(36,467)	(61,764)
At 31 March 2025	870,418	164,463	7,293,338
DEPRECIATION			
At 1 April 2024	572,538	115,038	2,604,490
Charge for year	80,525	22,866	236,183
Eliminated on disposal	(22,315)	(36,319)	(61,015)
At 31 March 2025	630,748	101,585	2,779,658
NET BOOK VALUE			
At 31 March 2025	239,670	62,878	4,513,680
At 31 March 2024	225,383	85,892	4,614,988

Included within Freehold Land & Buildings is Land at cost of £199,151.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25 £	31.3.24 £
Trade debtors	369,530	260,546
Prepayments and accrued income	54,183	48,284
	423,713	308,830

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25 £	31.3.24 £
Trade creditors	74,341	72,862
Social security and other taxes	77,991	81,567
Other creditors	14,311	13,824
Accrued expenses	18,529	15,098
Deferred government grants	13,947	7,192
	199,119	190,543

Deferred Income arising from patient care invoices raised in advance for 2025 was £13,947 (2024: £7,192)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

15. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General fund	2,956,170	(5,439)	2,950,731
Designated	4,647,027	(64,747)	4,582,280
	<u>7,603,197</u>	<u>(70,186)</u>	<u>7,533,011</u>
Restricted funds			
Restricted	1,287,961	-	1,287,961
	<u>1,287,961</u>	<u>-</u>	<u>1,287,961</u>
TOTAL FUNDS	<u>8,891,158</u>	<u>(70,186)</u>	<u>8,820,972</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,238,919	(5,244,358)	(5,439)
Designated	1	(64,748)	(64,747)
	<u>5,238,920</u>	<u>(5,309,106)</u>	<u>(70,186)</u>
TOTAL FUNDS	<u>5,238,920</u>	<u>(5,309,106)</u>	<u>(70,186)</u>

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	3,211,630	(255,460)	2,956,170
Designated	4,647,027	-	4,647,027
	<u>7,858,657</u>	<u>(255,460)</u>	<u>7,603,197</u>
Restricted funds			
Restricted	1,287,961	-	1,287,961
	<u>1,287,961</u>	<u>-</u>	<u>1,287,961</u>
TOTAL FUNDS	<u>9,146,618</u>	<u>(255,460)</u>	<u>8,891,158</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,866,172	(5,121,632)	(255,460)
Restricted funds			
Restricted	55,300	(55,300)	-
TOTAL FUNDS	<u>4,921,472</u>	<u>(5,176,932)</u>	<u>(255,460)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.23 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General fund	3,211,630	(260,899)	2,950,731
Designated	4,647,027	(64,747)	4,582,280
	<u>7,858,657</u>	<u>(325,646)</u>	<u>7,533,011</u>
Restricted funds			
Restricted	1,287,961	-	1,287,961
TOTAL FUNDS	<u>9,146,618</u>	<u>(325,646)</u>	<u>8,820,972</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	10,105,091	(10,365,990)	(260,899)
Designated	1	(64,748)	(64,747)
	<u>10,105,092</u>	<u>(10,430,738)</u>	<u>(325,646)</u>
Restricted funds			
Restricted	55,300	(55,300)	-
TOTAL FUNDS	<u>10,160,392</u>	<u>(10,486,038)</u>	<u>(325,646)</u>

Designated Funds

Within designated funds there is £220,000 set aside as an operational fund. This is to cover any unplanned structural repairs or replacement of equipment.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

15. MOVEMENT IN FUNDS - continued

£1,100,000 is set aside for future repairs and upgrades at both Martha House and Sophie House. An additional £1,000,000 has been designated in the prior financial year. In 2022 there was £100,000 set aside as a Sophie House fund which was for upcoming maintenance and works planned at Sophie House.

Property improvement costs totalling £64,747.50 (£32,944.30 for Martha House and £31,803.20 for Sophie House) have been funded from designated reserves for future repairs and upgrades in 2024/25.

The remaining amount is within the fixed asset reserve which is the funds invested in fixed assets to allow the charity to carry out its work.

Restricted Funds

Restricted funds all relate to fixed assets for Sophie House where funding had been allocated solely for this purpose. The total fund balance at the year end is £1,287,961 which agrees to the net book value of restricted fixed assets.

16. CAPITAL COMMITMENTS

	31.3.25	31.3.24
	£	£
Contracted but not provided for in the financial statements	-	21,010
	<u> </u>	<u> </u>

Capital expenditure for committed PO's at the year end.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2025 or 31 March 2024.

Martha Trust Hereford Limited

Detailed Statement of Financial Activities
for the Year Ended 31 March 2025

	31.3.25 £	31.3.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations & Grants	49,577	70,860
Investment income		
Deposit account interest	125,177	104,448
Charitable activities		
Invoiced Patient Care	5,064,166	4,746,164
Total incoming resources	5,238,920	4,921,472
EXPENDITURE		
Charitable activities		
Wages	3,948,683	3,877,889
Social security	340,187	331,516
Pensions	70,601	71,832
Rates, water & waste disposal	43,880	40,860
Light and heat	124,391	107,478
Insurance	35,387	55,807
	4,563,129	4,485,382
Support costs		
Other		
Medical & Hygiene	110,632	104,081
Telephone & IT Costs	24,775	26,736
Postage and stationery	11,795	10,980
Sundry Expenses	10,421	6,576
Cleaning & Laundry	17,454	14,166
Catering	61,865	56,709
Protective Clothing	6,183	4,184
Holidays & Activities	7,557	6,786
Recruitment Costs	6,792	35,677
CQC & CRB	4,609	12,047
Travelling	3,095	3,061
Motor Expenses	15,058	15,086
Property Expenses	106,985	70,353
Equipment Repairs & Small Tool	89,672	66,559
Licences & Subscriptions	1,851	1,779
Staff Training	12,460	10,974
Bank Charges	550	637
Disposal of Martha Development	-	1
Carried forward	491,754	446,392

This page does not form part of the statutory financial statements

Martha Trust Hereford Limited

Detailed Statement of Financial Activities
for the Year Ended 31 March 2025

	31.3.25 £	31.3.24 £
Other		
Brought forward	491,754	446,392
Freehold property	236,183	218,766
Loss on sale of tangible fixed assets	(10,115)	-
	717,822	665,158
Governance costs		
Wages	4,776	4,776
Auditors' remuneration	6,825	6,500
Accountancy fees	3,435	3,352
Legal fees	11,219	9,785
Office Costs	1,900	1,979
	28,155	26,392
Total resources expended	5,309,106	5,176,932
Net expenditure	(70,186)	(255,460)

This page does not form part of the statutory financial statements

MARTHA TRUST HEREFORD LIMITED

England & Wales - Charity number 1053448

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2024
for
Martha Trust Hereford Limited

Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Contents of the Financial Statements
for the Year Ended 31 March 2024

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Detailed Statement of Financial Activities	25 to 26

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Significant activities

Martha House

The latest CQC inspection was May 2023 all lines of inspection were rated as good. The home has fourteen lifelong residents. The staff ensure that the residents have a busy but enjoyable time. The registered manager is responsible for the home residents and staff. The therapy team works very closely with the care team. Each resident has an individual activity programme specifically developed for their needs.

Sophie House

The latest CQC inspection was December 2018 with a paper review carried out on 6 July 2023 all lines of inspection were rated good. The home has fourteen lifelong residents. The activities available are similar to those provided at Martha House. Each home has a team of nurses and carers. The therapy team works across both sites.

Public benefit

Martha Trust Hereford Limited offers lifelong care which is funded by the fees paid by the County Council or Integrated Care Board.

The Charity was established in 1996 to provide care for children and adults with complex and profound emotional and physical disabilities. In 1997 Martha House, a custom-designed home, was opened providing nursing and one to-one care to residents. In 2012, the increased demand for the services offered at Martha House led to the decision to build a second home, Sophie House, in close proximity to the original home. The Charity aims to provide the highest possible quality of care enabling the residents to develop to their own full potential.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

STRATEGIC REPORT

Achievement and performance

The financial year ending 31 March 2024 proved to be a very busy time for the Charity. At March 2024 Sophie House was full with 14 residents while Martha House had 1 empty bed and 13 residents.

Recruitment for nursing and care staff continues to be difficult due to the nationwide shortage. The Charity continues to offer a bursary scheme for staff expressing an interest in undertaking a nursing degree. In addition to the financial benefits of the project, the individual works for the Charity during university closure and gains experience in care to expand on their skills. The scheme guarantees the individual a position once they have obtained their degree.

The Nursing Associate Training Programme continues to be very successful and beneficial. During the year to March 2024 2 individuals worked as Nursing Associates having completed their training through the Charity. One of these individuals is enrolled on the Nursing Apprenticeship and expects to be fully qualified in February 2025. The Charity employed 7 individuals on the TNA programme. The Charity offers trainee Nurse Associates from other localities the opportunity to undertake their learning disability placements in one of our homes which could lead to the recruitment of qualified Nurse Associates in the future.

The success of the charity in achieving its goals is largely measured and monitored against the many and varied requirements set out by the Care Quality Commission. The Trustees seek to ensure the charity provides high quality care within the learning disability care and services sector with the continual aim of achieving an 'outstanding' award for the work undertaken

STRATEGIC REPORT

Financial review

Reserves policy

The trustees aim to hold at least 12 months of expenditure within reserves.

The results for the year show net outgoing resources of £255,460 (2023: net incoming resources £344,417). Net assets amounted to £8,891,158 (2023: £9,146,618).

Unrestricted funds are generated where there is no stipulation from the donor as to how the income may be spent.

The Trustees have identified the need to maintain some reserves for set purposes and have designated reserves as follows:

In 2022 the Trustees had set aside an operational reserve of £220,000. This was to cover any unplanned structural repairs or replacement of equipment or loss of income. In addition in 2022 £100,000 had been set aside as a Sophie House fund for upcoming maintenance and works planned.

In 2023 a further £1,000,000 has been designated within the year also for future repairs and upgrades at both Sophie and Martha House. None of these funds have been spent in the year.

A Fixed Asset reserve comprises of the funds invested in fixed assets to allow the Charity to carry out its work. At 31 March 2024 the level of this reserve was £3,327,027 (2023: £3,353,398) (the book value of fixed assets that are not funded from restricted funds). At 31 March 2024 the restricted funds amounted to £1,287,961 (2023: £1,287,961).

As at 31 March 2024 undesignated free reserves amounted to £2,956,170 (2023: £3,185,259).

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Residents' fees are the principal funding source and are fully expended in meeting the objectives. An intensive analysis of the residents' current care needs and thus the staffing requirements to meet those needs, continues to be carried out to ensure that the fee levels are commensurate with the care plans.

Principal risks and uncertainties

The care provided by Martha Trust Hereford Limited is funded by the fees paid by the Local Authority or Integrated Care Boards. The economic downturn has led to the failure of the public sector to provide increases in fees for the majority of vulnerable people living in care facilities. The Trustees are fully aware of this potential risk and it is being managed by the Trust Director and the Trustees.

These factors mean that the reserves held by the Charity need to reflect these potential risks. The Charity provides lifelong care to our residents and the Trustees need to ensure the Charity is financially stable to meet their future needs.

The Trust Director and management team continue to work together with the Care Quality Commission to ensure the service provided is safe, caring, responsive, effective and well led.

STRATEGIC REPORT

Plans for Future periods

The Trust will continue to provide a loving, safe and secure home environment for our residents. To help us maintain our high quality of care we will encourage staff to develop their own individual potential.

The annual survey to the parents and staff will be undertaken;

The policies and procedures will be reviewed as required;

The required audits will be completed as directed by the Commissioning Authorities, CQC and Internal reviews.

The Trustees have set aside funds for planned expenditure during the next financial year on the following items:

- Upgrade all bathrooms, clinical rooms, sluice, laundry and bedroom sink areas at Sophie House begun in 23/24 to continue in 24/25
- Plan to erect a canopy in the garden at the rear of Sophie House to provide shade
- Extensive redecoration of Martha House communal areas and bedrooms including carpet replacement begun in 23/24 to continue in 24/25
- Martha House laundry upgrade
- Additional storage at Martha House
- Repairs to drainage from Farmhouse

Staffing

It has been established by the Government and the Care Quality Commission that there is a nationwide shortage of nurses and care staff. Martha Trust will continue to advertise all vacant posts as required however this is a nationwide concern with the population living longer and care homes being financially pressured by the lack of funding within the adult social care environment.

The Charity will continue with its involvement in the Nurse Associate Training Programme.

Quality

The Quality Audit Officer continues to review all the policies and procedures required by the homes. A timetable is produced detailing all the regular audit reports, which are undertaken both internally and also by external agencies.

Purchasing authorities complete contract monitoring visits annually. A questionnaire will be issued to the parents, staff and purchasing authorities as a quality monitoring tool.

Recruitment and appointment of new Trustees

Potential Trustees are carefully selected from local people who have the required background and experience and who are likely to have a long-standing interest in the work of the Charity. They are approached personally by existing Trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

STRATEGIC REPORT

The Trustees consider six Trustees to be appropriate, in number, skill mix and in their contribution to the running of the Charity and the homes. There are no plans to appoint further Trustees at present. As it becomes necessary, the Trustees will determine potential candidates who, if willing to stand, will be considered by interview with the full Board. All Trustees submit DBS (Disclosure and Barring Service) disclosure applications.

Induction and training of new Trustees

An appropriate candidate is given an induction programme that includes an in-depth tour of both homes and discussions with the existing Trustees and senior management team. The successful appointee is given a portfolio of financial, governance and Charity Commission documents and is guided through the Board and management meetings providing an insight into the work of the Charity and the roles of individual managers. They are introduced informally to all staff, residents and families.

Management and staffing

From 1st April 2023 the Charity has been managed by the Trust Director. The Director of Care retired in March 2024. From November 2023 the Registered Manager of Sophie House also took on the role of Registered Manager for Martha House and responsibility for the clinical operation of the two homes. Each home has a Care Manager and Deputy Home Manager.

Sufficient staff are employed to generally facilitate one to one care. Each resident has a primary nurse, senior carer and key carers who provide continuity of care.

The day is divided into three shifts with at least one registered nurse on duty for each shift at each home. The waking night shift is staffed by a nurse with two carers and there is an on-call rota for nurses and managers in case of emergency. Extra staff will work at night when a resident is ill and requires one to one care throughout the night shift either in the home or the hospital. Other employed staff include; cooks, housekeepers, maintenance, gardening and administration.

The primary nurses and senior care staff on both sites plan, monitor and evaluate the activities which take place throughout the day. A team of professional therapists and the care staff provide a wide range of activities ensuring a balanced daily activity programme for each resident. This is complemented by social activities and outings.

Key management remuneration

The salaries for all senior managers are agreed by the Trustees and reviewed annually. Costed proposals are forwarded to the Trustees and these consider the economic climate, including risks associated with the lack of funding in adult social care and the effect this has on the income for the charity, local trends and length of time in service. The registered manager, care managers and their deputies have detailed roles and responsibilities against which their performance can be measured.

Related parties

The Charity works closely with the Care Quality Commission (CQC), County Councils, Integrated Care Boards (ICB's) and all local and national agencies.

Martha Trust is one of very few providers of highly specialise care for individuals with profound and multiple learning and physical disabilities, particularly in relation to its ability to encompass children with adults in such a homely setting. Unlike most homes, the Trust has no age limit or geographical boundary and can therefore accept referrals from across the United Kingdom.

The Charity owns all the issued share capital of Martha Hereford (Developments) Limited, a Company incorporated in the United Kingdom. The Company was incorporated on 24 August 2009 to design and construct the second home on behalf of the Charity. The Company ceased trading on 31 March 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a company limited by guarantee and as such is governed by its Memorandum and Articles of Association in accordance with the Companies Act 2006. It was incorporated on 21 February 1996.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R E L Smith Esq

Miss S F Smith

Mrs S J Sharp-Smith

A C Stewart Esq

S W Somers Esq

Ms L Sharp-Smith

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03164820 (England and Wales)

Registered Charity number

1053448

Registered office

Hampton Green
Old Eign Hill
Hereford
HR1 1UB

Trustees

Miss S F Smith
R E L Smith
S W Somers
A C Stewart
Ms S J Sharp-Smith
Ms L Sharp-Smith

Company Secretary

Miss S F Smith

Auditors

Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

Harrison Clark Rickerbys
Ellenborough House
Wellington Street
Cheltenham
Gloucestershire
GL20 1TD

Bankers

Lloyds TSB Bank Plc
38 Blue Boar Row
Salisbury
Wiltshire
SP1 1DB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Martha Trust Hereford Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Thorne Widgery Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Martha Trust Hereford Limited

Report of the Trustees
for the Year Ended 31 March 2024

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 6/12/24 and signed on the board's behalf by:

.....
R E L Smith - Trustee

Opinion

We have audited the financial statements of Martha Trust Hereford Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- o Enquiring of trustees, management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- o Reading meeting minutes.
- o Considering performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation, the Charities Act legislation and guidance issued by CQC and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of other legislation recognising the nature of the Charity's activities.

Report of the Independent Auditors to the Members of
Martha Trust Hereford Limited

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our 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 our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lisa Weaver FCCA (Senior Statutory Auditor)
for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: 13/12/24

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	Unrestricted funds £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	15,560	55,300	70,860	35,966
Charitable activities	4				
Lifelong care for people with profound intellectual and physical disabilities		4,746,164	-	4,746,164	4,495,425
Investment income	3	104,448	-	104,448	9,218
Other income		-	-	-	155,173
Total		<u>4,866,172</u>	<u>55,300</u>	<u>4,921,472</u>	<u>4,695,782</u>
EXPENDITURE ON					
Charitable activities	5				
Lifelong care for people with profound intellectual and physical disabilities		<u>5,121,632</u>	<u>55,300</u>	<u>5,176,932</u>	<u>4,351,365</u>
NET INCOME/(EXPENDITURE)		(255,460)	-	(255,460)	344,417
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>7,858,657</u>	<u>1,287,961</u>	<u>9,146,618</u>	<u>8,802,201</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>7,603,197</u></u>	<u><u>1,287,961</u></u>	<u><u>8,891,158</u></u>	<u><u>9,146,618</u></u>

Martha Trust Hereford Limited

Balance Sheet

31 March 2024

	Notes	Unrestricted funds £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	12	3,327,027	1,287,961	4,614,988	4,641,359
Investments	13	-	-	-	1
		<u>3,327,027</u>	<u>1,287,961</u>	<u>4,614,988</u>	<u>4,641,360</u>
CURRENT ASSETS					
Debtors	14	308,830	-	308,830	183,058
Cash at bank and in hand		<u>4,157,883</u>	<u>-</u>	<u>4,157,883</u>	<u>4,487,079</u>
		<u>4,466,713</u>	<u>-</u>	<u>4,466,713</u>	<u>4,670,137</u>
CREDITORS					
Amounts falling due within one year	15	(190,543)	-	(190,543)	(164,879)
		<u>4,276,170</u>	<u>-</u>	<u>4,276,170</u>	<u>4,505,258</u>
NET CURRENT ASSETS					
		<u>4,276,170</u>	<u>-</u>	<u>4,276,170</u>	<u>4,505,258</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>7,603,197</u>	<u>1,287,961</u>	<u>8,891,158</u>	<u>9,146,618</u>
NET ASSETS					
		<u>7,603,197</u>	<u>1,287,961</u>	<u>8,891,158</u>	<u>9,146,618</u>
FUNDS	16				
Unrestricted funds:					
General fund				2,956,170	3,185,259
Designated				<u>4,647,027</u>	<u>4,673,398</u>
				<u>7,603,197</u>	<u>7,858,657</u>
Restricted funds				<u>1,287,961</u>	<u>1,287,961</u>
TOTAL FUNDS				<u>8,891,158</u>	<u>9,146,618</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 6/12/24 and were signed on its behalf by:

.....
R E L Smith - Trustee

The notes form part of these financial statements

Martha Trust Hereford Limited

Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	(241,249)	563,098
Net cash (used in)/provided by operating activities		(241,249)	563,098
Cash flows from investing activities			
Purchase of tangible fixed assets		(192,396)	(70,796)
Sale of tangible fixed assets		-	29,860
Sale of fixed asset investments		1	-
Interest received		104,448	9,218
Net cash used in investing activities		(87,947)	(31,718)
Change in cash and cash equivalents in the reporting period		(329,196)	531,380
Cash and cash equivalents at the beginning of the reporting period		4,487,079	3,955,699
Cash and cash equivalents at the end of the reporting period		4,157,883	4,487,079

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2024

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.24 £	31.3.23 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(255,460)	344,417
Adjustments for:		
Depreciation charges	218,766	206,572
Profit on disposal of fixed assets	-	(29,860)
Interest received	(104,448)	(9,218)
(Increase)/decrease in debtors	(125,772)	39,209
Increase in creditors	25,665	11,978
Net cash (used in)/provided by operations	(241,249)	563,098

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank and in hand	4,487,079	(329,196)	4,157,883
	4,487,079	(329,196)	4,157,883
Total	4,487,079	(329,196)	4,157,883

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Income from grants and government grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

Interest is included when received by the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings 2%, 15% and 20% straight line
Property improvements 2%, 5%, 15% and 20% straight line
Plant and equipment 15% straight line
Fixtures and fittings 15% and 33% straight line
Motor vehicles 25% straight line and 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Capitalisation policy of fixed assets is set at £1,000.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Donations & Grants	<u>70,860</u>	<u>35,966</u>
Grants receivable for core activities		
	2024	2023
Nurse training grant	55,300	24,100
Apprenticeship Funding	8,300	
Coronavirus Grants	-	<u>6,978</u>
	<u>63,600</u>	<u>31,078</u>

Donations received in the year amounted to £7,260 (2023: £4,888)

3. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Deposit account interest	<u>104,448</u>	<u>9,218</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.24 £	31.3.23 £
Invoiced Patient Care	Activity Lifelong care for people with profound intellectual and physical disabilities	4,746,164	4,495,425

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Lifelong care for people with profound intellectual and physical disabilities	4,485,382	691,550	5,176,932

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.24 £	31.3.23 £
Staff costs	4,281,237	3,598,665
Rates, water & waste disposal	40,860	38,630
Light and heat	107,478	107,367
Insurance	55,807	45,776
	4,485,382	3,790,438

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Lifelong care for people with profound intellectual and physical disabilities	665,158	26,392	691,550

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.24 £	31.3.23 £
Audit Fees	6,500	6,000
Depreciation - owned assets	218,767	206,573
Surplus on disposal of fixed assets	-	(29,860)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

10. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	3,882,665	3,312,065
Social security costs	331,516	230,819
Other pension costs	71,832	60,557
	<u>4,286,013</u>	<u>3,603,441</u>

Key Management Remuneration paid for the year ended 31/03/2024 was: £412,272 (31/03/2023: £271,452).

This consists of the Trust Director, Deputy Trust Director, Director of Care, Manager of Sophie House and Manager of Martha House and HR manager.

Full time equivalent employees - analysed by function

	2024	2023
Patient Care	110	104
Management & Admin	14	13
Total	<u>124</u>	<u>117</u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Full Time (more than 30 hours per week)	80	76
Part Time (30 hours or less per week)	33	30
	<u>113</u>	<u>106</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.24	31.3.23
£60,001 - £70,000	2	1
£80,001 - £90,000	1	-
	<u>3</u>	<u>1</u>

The current year and prior year both include the director of care. But the current year also includes the manager of sophie house and a night nurse.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	35,966	-	35,966
Charitable activities			
Lifelong care for people with profound intellectual and physical disabilities	4,495,425	-	4,495,425
Investment income	9,218	-	9,218
Other income	155,173	-	155,173
Total	4,695,782	-	4,695,782
EXPENDITURE ON			
Charitable activities			
Lifelong care for people with profound intellectual and physical disabilities	4,318,596	32,769	4,351,365
NET INCOME/(EXPENDITURE)	377,186	(32,769)	344,417
RECONCILIATION OF FUNDS			
Total funds brought forward	7,480,691	1,321,510	8,802,201
TOTAL FUNDS CARRIED FORWARD	7,857,877	1,288,741	9,146,618

12. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Improvements to property £	Plant and machinery £
COST			
At 1 April 2023	5,602,278	504,266	81,773
Additions	-	28,494	3,816
Disposals	-	-	-
At 31 March 2024	5,602,278	532,760	85,589
DEPRECIATION			
At 1 April 2023	1,568,753	139,076	76,667
Charge for year	116,111	15,690	617
Eliminated on disposal	-	-	-
At 31 March 2024	1,684,864	154,766	77,284
NET BOOK VALUE			
At 31 March 2024	3,917,414	377,994	8,305
At 31 March 2023	4,033,525	365,190	5,106

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

12. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2023	739,936	118,457	7,046,710
Additions	77,613	82,473	192,396
Disposals	(19,628)	-	(19,628)
At 31 March 2024	797,921	200,930	7,219,478
DEPRECIATION			
At 1 April 2023	511,578	109,277	2,405,351
Charge for year	80,588	5,761	218,767
Eliminated on disposal	(19,628)	-	(19,628)
At 31 March 2024	572,538	115,038	2,604,490
NET BOOK VALUE			
At 31 March 2024	225,383	85,892	4,614,988
At 31 March 2023	228,358	9,180	4,641,359

Included within Freehold Land & Buildings is Land at cost of £199,151.

13. FIXED ASSET INVESTMENTS

There were no investment assets outside the UK.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade debtors	260,546	114,520
Prepayments and accrued income	48,284	68,538
	308,830	183,058

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade creditors	72,862	35,069
Social security and other taxes	81,567	70,723
Other creditors	13,824	12,643
Accrued expenses	15,098	38,564
Deferred government grants	7,192	7,880
	190,543	164,879

Deferred Income arising from patient care invoices raised in advance for 2024 was £7,192 (2023: £7,880)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

16. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	3,211,630	(255,460)	2,956,170
Designated	4,647,027	-	4,647,027
	<u>7,858,657</u>	<u>(255,460)</u>	<u>7,603,197</u>
Restricted funds			
Restricted	1,287,961	-	1,287,961
	<u>1,287,961</u>	<u>-</u>	<u>1,287,961</u>
TOTAL FUNDS	<u>9,146,618</u>	<u>(255,460)</u>	<u>8,891,158</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,866,172	(5,121,632)	(255,460)
Restricted funds			
Restricted	55,300	(55,300)	-
	<u>55,300</u>	<u>(55,300)</u>	<u>-</u>
TOTAL FUNDS	<u>4,921,472</u>	<u>(5,176,932)</u>	<u>(255,460)</u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	3,707,606	584,538	(1,106,885)	3,185,259
Designated	3,773,085	(206,572)	1,106,885	4,673,398
	<u>7,480,691</u>	<u>377,966</u>	<u>-</u>	<u>7,858,657</u>
Restricted funds				
Restricted	1,321,510	(33,549)	-	1,287,961
	<u>1,321,510</u>	<u>(33,549)</u>	<u>-</u>	<u>1,287,961</u>
TOTAL FUNDS	<u>8,802,201</u>	<u>344,417</u>	<u>-</u>	<u>9,146,618</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,695,782	(4,111,244)	584,538
Designated	-	(206,572)	(206,572)
	<u>4,695,782</u>	<u>(4,317,816)</u>	<u>377,966</u>
Restricted funds			
Restricted	-	(33,549)	(33,549)
	<u>-</u>	<u>(33,549)</u>	<u>(33,549)</u>
TOTAL FUNDS	<u>4,695,782</u>	<u>(4,351,365)</u>	<u>344,417</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	3,707,606	329,078	(1,106,885)	2,929,799
Designated	3,773,085	(206,572)	1,106,885	4,673,398
	<u>7,480,691</u>	<u>122,506</u>	<u>-</u>	<u>7,603,197</u>
Restricted funds				
Restricted	1,321,510	(33,549)	-	1,287,961
	<u>1,321,510</u>	<u>(33,549)</u>	<u>-</u>	<u>1,287,961</u>
TOTAL FUNDS	<u>8,802,201</u>	<u>88,957</u>	<u>-</u>	<u>8,891,158</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	9,561,954	(9,232,876)	329,078
Designated	-	(206,572)	(206,572)
	<u>9,561,954</u>	<u>(9,439,448)</u>	<u>122,506</u>
Restricted funds			
Restricted	55,300	(88,849)	(33,549)
	<u>55,300</u>	<u>(88,849)</u>	<u>(33,549)</u>
TOTAL FUNDS	<u>9,617,254</u>	<u>(9,528,297)</u>	<u>88,957</u>

Designated Funds

Within designated funds there is £220,000 set aside as an operational fund. This is to cover any unplanned structural repairs or replacement of equipment.

16. MOVEMENT IN FUNDS - continued

£1,100,000 is set aside for future repairs and upgrades at both Martha House and Sophie House. An additional £1,000,000 has been designated in the prior financial year. In 2022 there was £100,000 set aside as a Sophie House fund which was for upcoming maintenance and works planned at Sophie House.

The remaining amount is within the fixed asset reserve which is the funds invested in fixed assets to allow the charity to carry out its work.

Restricted Funds

Restricted funds all relate to fixed assets for Sophie House where funding had been allocated solely for this purpose. The total fund balance at the year end is £1,287,961 which agrees to the net book value of restricted fixed assets.

In the year we have recognised the LD Grant funding from HEE within restricted funds but there is no effect on the overall c/f balance as this income has been fully spent on salaries for these nurses.

17. CAPITAL COMMITMENTS

As at 31 March 2024 the following purchase orders were in place for the following capital items:
Pressurisation Unit £2,276.06, Water Heater / Boiler £13,278.83 and Gas Commercial Tumble Dryer £5,455.20.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024 or 31 March 2023.

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations & Grants	70,860	35,966
Investment income		
Deposit account interest	104,448	9,218
Charitable activities		
Invoiced Patient Care	4,746,164	4,495,425
Other income		
Gain on sale of tangible fixed assets	-	29,860
Insurance Claim Income	-	125,313
	-	155,173
Total incoming resources		
	4,921,472	4,695,782
EXPENDITURE		
Charitable activities		
Wages	3,877,889	3,307,289
Social security	331,516	230,819
Pensions	71,832	60,557
Rates, water & waste disposal	40,860	38,630
Light and heat	107,478	107,367
Insurance	55,807	45,776
	4,485,382	3,790,438
Support costs		
Other		
Medical & Hygiene	104,081	91,143
Telephone & IT Costs	26,736	16,774
Postage and stationery	10,980	8,233
Sundry Expenses	6,576	5,065
Cleaning & Laundry	14,166	10,666
Catering	56,709	47,643
Protective Clothing	4,184	4,049
Holidays & Activities	6,786	8,788
Recruitment Costs	35,677	17,011
CQC & CRB	12,047	4,472
Travelling	3,061	1,106
Motor Expenses	15,086	14,463
Property Expenses	70,353	35,325
Equipment Repairs & Small Tool	66,559	58,224
Licences & Subscriptions	1,779	1,714
Staff Training	10,974	6,259
Carried forward	445,754	330,935

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	31.3.24 £	31.3.23 £
Other		
Brought forward	445,754	330,935
Bank Charges	637	709
Disposal of Martha Development	1	-
Freehold property	218,766	206,572
	665,158	538,216
Governance costs		
Wages	4,776	4,776
Auditors' remuneration	6,500	6,000
Accountancy fees	3,352	3,000
Legal fees	9,785	7,130
Office Costs	1,979	1,805
	26,392	22,711
Total resources expended	5,176,932	4,351,365
Net (expenditure)/income	(255,460)	344,417

MARTHA TRUST HEREFORD LIMITED

England & Wales - Charity number 1053448

Accounts

REGISTERED COMPANY NUMBER: 03164820 (England and Wales)
REGISTERED CHARITY NUMBER: 1053448

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2023
for
Martha Trust Hereford Limited

Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Contents of the Financial Statements
for the Year Ended 31 March 2023

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Significant activities

Martha House

The latest CQC inspection was May 2023 all lines of inspection were rated as good. The home has fourteen lifelong residents. The staff ensure that the residents have a busy but enjoyable time. The registered manager is responsible for the home residents and staff. The therapy team works very closely with the care team. Each resident has an individual activity programme specifically developed for their needs.

Sophie House

The latest CQC inspection was December 2018 with a paper review carried out on 6 July 2023 all lines of inspection were rated good. The home has fourteen lifelong residents. The activities available are similar to those provided at Martha House. Each home has a team of nurses and carers. The therapy team works across both sites.

Public benefit

Martha Trust Hereford Limited offers lifelong care which is funded by the fees paid by the County Council or Integrated Care Board.

The Charity was established in 1996 to provide care for children and adults with complex and profound emotional and physical disabilities. In 1997 Martha House, a custom-designed home, was opened providing nursing and one to-one care to residents. In 2012, the increased demand for the services offered at Martha House led to the decision to build a second home, Sophie House, in close proximity to the original home. The Charity aims to provide the highest possible quality of care enabling the residents to develop to their own full potential.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

STRATEGIC REPORT

Achievement and performance

The financial year ending 31 March 2023 proved to be a very busy time for the Charity. For the whole financial year both homes were full with 14 residents on each site.

Recruitment for nursing and care staff continues to be difficult due to the nationwide shortage. The Charity continues to offer a bursary scheme for staff expressing an interest in undertaking a nursing degree. In addition to the financial benefits of the project, the individual works for the Charity during university closure and gains experience in care to expand on their skills. The scheme guarantees the individual a position once they have obtained their degree.

The Nursing Associate Training Programme continues to be very successful and beneficial. The first two individuals to complete their training in February 2022 immediately started work and 1 moved on to full nurse training. The 2nd intends to start nursing training in the 23/24 financial year. 7 more staff started training in 22/23 financial year. Any member of the care team can apply to undertake the training, which is currently operating in conjunction with the Open University, however they need to satisfy the relevant entry requirements. The Charity will offer trainee Nurse Associates from other localities the opportunity to undertake their learning disability placements in one of our homes which could lead to the recruitment of qualified Nurse Associates in the future.

The success of the charity in achieving its goals is largely measured and monitored against the many and varied requirements set out by the Care Quality Commission. The Trustees seek to ensure the charity provides high quality care within the learning disability care and services sector with the continual aim of achieving an 'outstanding' award for the work undertaken.

We have designated a £1 million fund for future repairs and upgrades at both Martha House and Sophie House in this financial years statements.

STRATEGIC REPORT

Financial review

Reserves policy

The trustees aim to hold at least 12 months of expenditure within reserves.

The results for the year show net incoming resources of £344,417 (2022: 293,431). Net assets amounted to £9,146,618 (2022: 8,802,201).

Unrestricted funds are generated where there is no stipulation from the donor as to how the income may be spent.

The Trustees have identified the need to maintain some reserves for set purposes and have designated reserves as follows:

In 2022 the Trustees had set aside an operational reserve of £220,000. This was to cover any unplanned structural repairs or replacement of equipment or loss of income. In addition in 2022 £100,000 had been set aside as a Sophie House fund for upcoming maintenance and works planned.

In 2023 a further £1,000,000 has been designated within the year also for future repairs and upgrades at both Sophie and Martha House.

A Fixed Asset reserve comprises of the funds invested in fixed assets to allow the Charity to carry out its work. At 31 March 2023 the level of this reserve was £3,353,398 (2022: £3,453,085) (the book value of fixed assets that are not funded from restricted funds). At 31 March 2023 the restricted funds amounted to £1,287,961 (2022: £1,321,510).

As at 31 March 2023 undesignated free reserves amounted to £3,185,259 (2022: £3,707,606) after transfers to designated reserves had been made in the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Residents' fees are the principal funding source and are fully expended in meeting the objectives. An intensive analysis of the residents' current care needs and thus the staffing requirements to meet those needs, continues to be carried out to ensure that the fee levels are commensurate with the care plans.

Principal risks and uncertainties

The care provided by Martha Trust Hereford Limited is funded by the fees paid by the Local Authority or Integrated Care Boards. The economic downturn has led to the failure of the public sector to provide increases in fees for the majority of vulnerable people living in care facilities. The Trustees are fully aware of this potential risk and it is being managed by the Trust Directors and the Trustees.

These factors mean that the reserves held by the Charity need to reflect these potential risks. The Charity provides lifelong care to our residents and the Trustees need to ensure the Charity is financially stable to meet their future needs.

The Trust Directors and management team continue to work together with the Care Quality Commission to ensure the service provided is safe, caring, responsive, effective and well led.

STRATEGIC REPORT

Plans for Future periods

The Trust will continue to provide a loving, safe and secure home environment for our residents. To help us maintain our high quality of care we will encourage staff to develop their own individual potential.

The annual survey to the parents, staff and purchasing authorities will be undertaken;

The policies and procedures will be reviewed as required;

The required audits will be completed as directed by the Quality Audit Officer.

The Trustees have set aside funds for planned expenditure during the next financial year on the following items:

- Upgrade all bathrooms, clinical rooms, sluice, laundry and bedroom sink areas at Sophie House begun in 22/23 to continue in 23/24
- Plan to erect a canopy in the garden at the rear of Sophie House to provide shade
- Extensive redecoration of Martha House communal areas and bedrooms including carpet replacement begun in 22/23 to continue in 23/24
- Martha House laundry upgrade
- Additional storage at Martha House
- Repairs to drainage from Farmhouse

Staffing

It has been established by the Government and the Care Quality Commission that there is a nationwide shortage of nurses and care staff. Martha Trust will continue to advertise all vacant posts as required however this is a nationwide concern with the population living longer and care homes being financially pressured by the lack of funding within the adult social care environment.

The Charity will continue with its involvement in the Nurse Associate Training Programme.

Quality

The Quality Audit Officer continues to review all the policies and procedures required by the homes. A timetable is produced detailing all the regular audit reports, which are undertaken both internally and also by external agencies.

Purchasing authorities complete contract monitoring visits annually. A questionnaire will be issued to the parents, staff and purchasing authorities as a quality monitoring tool.

Structure, governance and management

The charity is a company limited by guarantee and as such is governed by its Memorandum and Articles of Association in accordance with the Companies Act 2006. It was incorporated on 21 February 1996.

Recruitment and appointment of new Trustees

Potential Trustees are carefully selected from local people who have the required background and experience and who are likely to have a long-standing interest in the work of the Charity. They are approached personally by existing Trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Trustees consider six Trustees to be appropriate, in number, skill mix and in their contribution to the running of

STRATEGIC REPORT

the Charity and the homes. There are no plans to appoint further Trustees at present. As it becomes necessary, the Trustees will determine potential candidates who, if willing to stand, will be considered by interview with the full Board. All Trustees submit DBS (Disclosure and Barring Service) disclosure applications.

Induction and training of new Trustees

An appropriate candidate is given an induction programme that includes an in-depth tour of both homes and discussions with the existing Trustees and senior management team. The successful appointee is given a portfolio of financial, governance and Charity Commission documents and is guided through the Board and management meetings providing an insight into the work of the Charity and the roles of individual managers. They are introduced informally to all staff, residents and families.

Management and staffing

The Charity is managed jointly by two Directors, Mrs S McBride and Dr Lisa Purslow. The Director of Care is responsible for the clinical operation of the Trust. Each home has a Registered Manager and Deputy Home Manager.

Sufficient staff are employed to generally facilitate one to one care. Each resident has a primary nurse, senior carer and key carers who provide continuity of care.

The day is divided into three shifts with at least one registered nurse on duty for each shift at each home. The waking night shift is staffed by a nurse with two carers and there is an on-call rota for nurses and managers in case of emergency. Extra staff will work at night when a resident is ill and requires one to one care throughout the night shift either in the home or the hospital. Other employed staff include; cooks, housekeepers, maintenance, gardening and administration.

The primary nurses and senior care staff on both sites plan, monitor and evaluate the activities which take place throughout the day. A team of professional therapists and the care staff provide a wide range of activities ensuring a balanced daily activity programme for each resident. This is complemented by social activities and outings.

Related parties

The Charity works closely with the Care Quality Commission (CQC), County Councils, Clinical Commissioning Groups (CCG's) and all local and national agencies.

Martha Trust is one of very few providers of highly specialise care for individuals with profound and multiple learning and physical disabilities, particularly in relation to its ability to encompass children with adults in such a homely setting. Unlike most homes, the Trust has no age limit or geographical boundary and can therefore accept referrals from across the United Kingdom.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a company limited by guarantee and as such is governed by its Memorandum and Articles of Association in accordance with the Companies Act 2006. It was incorporated on 21 February 1996.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms S F Smith

R E L Smith

S W Somers

A C Stewart

Mrs S J Sharp-Smith

Ms L Sharp-Smith

Martha Trust Hereford Limited

Report of the Trustees
for the Year Ended 31 March 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03164820 (England and Wales)

Registered Charity number
1053448

Registered office
Hampton Green
Old Eign Hill
Hereford
HR1 1UB

Trustees
Mrs S F Smith
R E L Smith
S W Somers
A C Stewart
Ms S J Sharp-Smith
Ms L Sharp-Smith

Company Secretary
Mrs S F Smith

Auditors
Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Solicitors
Willans LLP
28 Imperial Square
Cheltenham
Gloucestershire
GL50 1RH

Harrison Clark Rickerbys
Ellenborough House
Wellington Street
Cheltenham
Gloucestershire
GL20 1TD

Bankers
Lloyds TSB Bank Plc
38 Blue Boar Row
Salisbury
Wiltshire
SP1 1DB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Martha Trust Hereford Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Thorne Widgey Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15/11/23..... and signed on the board's behalf by:

.....
R E L Smith - Trustee

Report of the Independent Auditors to the Members of
Martha Trust Hereford Limited

Opinion

We have audited the financial statements of Martha Trust Hereford Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- o Enquiring of trustees, management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- o Reading meeting minutes.
- o Considering performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation, the Charities Act legislation and guidance issued by CQC and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of other legislation recognising the nature of the Charity's activities.

Report of the Independent Auditors to the Members of
Martha Trust Hereford Limited

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our 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 our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lisa Weaver FCCA (Senior Statutory Auditor)
for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: 21/11/23.....

Statement of Financial Activities
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	35,966	-	35,966	89,527
Charitable activities	4				
Lifelong care for people with profound intellectual and physical disabilities		4,495,425	-	4,495,425	4,297,020
Investment income	3	9,218	-	9,218	2,694
Other income		155,173	-	155,173	-
Total		<u>4,695,782</u>	<u>-</u>	<u>4,695,782</u>	<u>4,389,241</u>
EXPENDITURE ON					
Charitable activities	5				
Lifelong care for people with profound intellectual and physical disabilities		<u>4,318,596</u>	<u>32,769</u>	<u>4,351,365</u>	<u>4,095,810</u>
NET INCOME/(EXPENDITURE)		377,186	(32,769)	344,417	293,431
RECONCILIATION OF FUNDS					
Total funds brought forward		7,480,691	1,321,510	8,802,201	8,508,770
TOTAL FUNDS CARRIED FORWARD		<u><u>7,857,877</u></u>	<u><u>1,288,741</u></u>	<u><u>9,146,618</u></u>	<u><u>8,802,201</u></u>

The notes form part of these financial statements

Martha Trust Hereford Limited

Balance Sheet

31 March 2023

	Notes	Unrestricted funds £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	12	3,353,398	1,287,961	4,641,359	4,777,136
Investments	13	1	-	1	1
		<u>3,353,399</u>	<u>1,287,961</u>	<u>4,641,360</u>	<u>4,777,137</u>
CURRENT ASSETS					
Debtors	14	183,058	-	183,058	233,649
Cash at bank and in hand		<u>4,487,079</u>	<u>-</u>	<u>4,487,079</u>	<u>3,955,699</u>
		<u>4,670,137</u>	<u>-</u>	<u>4,670,137</u>	<u>4,189,348</u>
CREDITORS					
Amounts falling due within one year	15	<u>(164,879)</u>	<u>-</u>	<u>(164,879)</u>	<u>(164,284)</u>
NET CURRENT ASSETS		<u>4,505,258</u>	<u>-</u>	<u>4,505,258</u>	<u>4,025,064</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,858,657</u>	<u>1,287,961</u>	<u>9,146,618</u>	<u>8,802,201</u>
NET ASSETS		<u>7,858,657</u>	<u>1,287,961</u>	<u>9,146,618</u>	<u>8,802,201</u>
FUNDS	16				
Unrestricted funds:					
General fund				3,185,259	3,707,606
Designated				<u>4,673,398</u>	<u>3,773,085</u>
				<u>7,858,657</u>	<u>7,480,691</u>
Restricted funds				<u>1,287,961</u>	<u>1,321,510</u>
TOTAL FUNDS				<u>9,146,618</u>	<u>8,802,201</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15/11/23 and were signed on its behalf by:



 R E L Smith - Trustee

The notes form part of these financial statements

Martha Trust Hereford Limited

Cash Flow Statement
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	563,098	579,465
Net cash provided by operating activities		563,098	579,465
Cash flows from investing activities			
Purchase of tangible fixed assets		(70,796)	(149,066)
Sale of tangible fixed assets		29,860	-
Interest received		9,218	2,694
Net cash used in investing activities		(31,718)	(146,372)
Change in cash and cash equivalents in the reporting period		531,380	433,093
Cash and cash equivalents at the beginning of the reporting period		3,955,699	3,522,606
Cash and cash equivalents at the end of the reporting period		4,487,079	3,955,699

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 March 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23	31.3.22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	344,417	293,431
Adjustments for:		
Depreciation charges	206,572	195,063
(Profit)/loss on disposal of fixed assets	(29,860)	366
Interest received	(9,218)	(2,694)
Decrease in debtors	39,209	133,791
Increase/(decrease) in creditors	11,978	(40,492)
Net cash provided by operations	563,098	579,465

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	3,955,699	531,380	4,487,079
	3,955,699	531,380	4,487,079
Total	3,955,699	531,380	4,487,079

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Income from grants and government grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

Interest is included when received by the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings 2%, 15% and 20% straight line
Property improvements 2%, 5%, 15% and 20% straight line
Plant and equipment 15% straight line
Fixtures and fittings 15% and 33% straight line
Motor vehicles 25% straight line and 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Capitalisation policy of fixed assets is set at £1,000.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Donations & Grants	<u>35,966</u>	<u>89,527</u>
Grants receivable for core activities		
	2023	2022
Nurse training grant	24,100	23,700
Coronavirus Grants	<u>6,978</u>	<u>50,433</u>
	<u>31,078</u>	<u>74,133</u>

Donations received in the year amounted to £4,888 (2022: £15,392)

3. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Deposit account interest	<u>9,218</u>	<u>2,694</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.23 £	31.3.22 £
Invoiced Patient Care	Activity Lifelong care for people with profound intellectual and physical disabilities	4,495,425	4,297,020

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Lifelong care for people with profound intellectual and physical disabilities	3,790,438	560,927	4,351,365

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.23 £	31.3.22 £
Staff costs	3,598,665	3,395,362
Rates, water & waste disposal	38,630	39,591
Light and heat	107,367	95,213
Insurance	45,776	38,987
	3,790,438	3,569,153

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Lifelong care for people with profound intellectual and physical disabilities	538,216	22,711	560,927

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.23 £	31.3.22 £
Audit Fees	6,000	6,000
Depreciation - owned assets	206,573	195,062
Surplus/(deficit) on disposal of fixed assets	(29,860)	366

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

10. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	3,312,065	3,094,521
Social security costs	230,819	251,341
Other pension costs	60,557	54,276
	<u>3,603,441</u>	<u>3,400,138</u>

Key Management Remuneration paid for the year ended 31/03/2023 was: £271,452 (31/03/2022: £246,790). This consists of the Trust Director, Deputy Trust Director, Director of Care, Manager of Sophie House and Manager of Martha House.

Full time equivalent employees - analysed by function

	2023	2022
Patient Care	104	105
Management & Admin	<u>13</u>	<u>12</u>
Total	<u>117</u>	<u>117</u>

The average monthly number of employees during the year was as follows:

	31.3.23	31.3.22
Full Time (more than 30 hours per week)	76	74
Part Time (30 hours or less per week)	30	65
	<u>106</u>	<u>139</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.23	31.3.22
£60,001 - £70,000	<u>1</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	89,527	-	89,527
Charitable activities			
Lifelong care for people with profound intellectual and physical disabilities	4,297,020	-	4,297,020
Investment income	2,694	-	2,694
Total	<u>4,389,241</u>	<u>-</u>	<u>4,389,241</u>
EXPENDITURE ON			
Charitable activities			
Lifelong care for people with profound intellectual and physical disabilities	4,062,019	33,791	4,095,810
NET INCOME/(EXPENDITURE)	327,222	(33,791)	293,431
RECONCILIATION OF FUNDS			
Total funds brought forward	7,153,469	1,355,301	8,508,770
TOTAL FUNDS CARRIED FORWARD	<u>7,480,691</u>	<u>1,321,510</u>	<u>8,802,201</u>

12. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Improvements to property £	Plant and machinery £
COST			
At 1 April 2022	5,602,278	484,643	81,773
Additions	-	19,623	-
Disposals	-	-	-
At 31 March 2023	<u>5,602,278</u>	<u>504,266</u>	<u>81,773</u>
DEPRECIATION			
At 1 April 2022	1,452,641	126,254	75,460
Charge for year	116,112	12,822	1,207
Eliminated on disposal	-	-	-
At 31 March 2023	<u>1,568,753</u>	<u>139,076</u>	<u>76,667</u>
NET BOOK VALUE			
At 31 March 2023	<u>4,033,525</u>	<u>365,190</u>	<u>5,106</u>
At 31 March 2022	<u>4,149,637</u>	<u>358,389</u>	<u>6,313</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 April 2022	720,410	189,933	7,079,037
Additions	42,187	8,986	70,796
Disposals	(22,661)	(80,462)	(103,123)
At 31 March 2023	739,936	118,457	7,046,710
DEPRECIATION			
At 1 April 2022	457,871	189,675	2,301,901
Charge for year	76,368	64	206,573
Eliminated on disposal	(22,661)	(80,462)	(103,123)
At 31 March 2023	511,578	109,277	2,405,351
NET BOOK VALUE			
At 31 March 2023	228,358	9,180	4,641,359
At 31 March 2022	262,539	258	4,777,136

Included within Freehold Land & Buildings is Land at cost of £199,151.

13. FIXED ASSET INVESTMENTS

	31.3.23 £	31.3.22 £
Other	1	1

There were no investment assets outside the UK.

Investments (neither listed nor unlisted) were as follows:

	31.3.23 £	31.3.22 £
Investments in subsidiary (Martha Developments Ltd)	1	1

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Trade debtors	114,520	173,264
Amounts owed by group undertakings	-	11,382
Prepayments and accrued income	68,538	49,003
	183,058	233,649

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	35,069	48,523
Social security and other taxes	70,723	68,170
Other creditors	12,643	16,844
Accrued expenses	38,564	21,712
Deferred government grants	7,880	9,035
	<u>164,879</u>	<u>164,284</u>

Deferred Income arising from patient care invoices raised in advance for 2023 was £7,880 (2020: £9,035)

16. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
General fund	3,707,606	584,538	(1,106,885)	3,185,259
Designated	3,773,085	(206,572)	1,106,885	4,673,398
	<u>7,480,691</u>	<u>377,966</u>	<u>-</u>	<u>7,858,657</u>
Restricted funds				
Restricted	1,321,510	(33,549)	-	1,287,961
	<u>1,321,510</u>	<u>(33,549)</u>	<u>-</u>	<u>1,287,961</u>
TOTAL FUNDS	<u>8,802,201</u>	<u>344,417</u>	<u>-</u>	<u>9,146,618</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	4,695,782	(4,111,244)	584,538
Designated	-	(206,572)	(206,572)
	<u>4,695,782</u>	<u>(4,317,816)</u>	<u>377,966</u>
Restricted funds			
Restricted	-	(33,549)	(33,549)
	<u>-</u>	<u>(33,549)</u>	<u>(33,549)</u>
TOTAL FUNDS	<u>4,695,782</u>	<u>(4,351,365)</u>	<u>344,417</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	3,467,814	327,222	(87,430)	3,707,606
Designated	3,685,655	-	87,430	3,773,085
	7,153,469	327,222	-	7,480,691
Restricted funds				
Restricted	1,355,301	(33,791)	-	1,321,510
TOTAL FUNDS	8,508,770	293,431	-	8,802,201

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,389,241	(4,062,019)	327,222
Restricted funds			
Restricted	-	(33,791)	(33,791)
TOTAL FUNDS	4,389,241	(4,095,810)	293,431

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	3,467,814	911,760	(1,194,315)	3,185,259
Designated	3,685,655	(206,572)	1,194,315	4,673,398
	7,153,469	705,188	-	7,858,657
Restricted funds				
Restricted	1,355,301	(67,340)	-	1,287,961
TOTAL FUNDS	8,508,770	637,848	-	9,146,618

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	9,085,023	(8,173,263)	911,760
Designated	-	(206,572)	(206,572)
	<u>9,085,023</u>	<u>(8,379,835)</u>	<u>705,188</u>
Restricted funds			
Restricted	-	(67,340)	(67,340)
	<u>-</u>	<u>(67,340)</u>	<u>(67,340)</u>
TOTAL FUNDS	<u><u>9,085,023</u></u>	<u><u>(8,447,175)</u></u>	<u><u>637,848</u></u>

Designated Funds

Within designated funds there is £220,000 set aside as an operational fund. This is to cover any unplanned structural repairs or replacement of equipment.

£1,100,000 is set aside for future repairs and upgrades at both Martha House and Sophie House. An additional £1,000,000 has been designated in the current financial year. In the prior financial year there was £100,000 set aside as a Sophie House fund which was for upcoming maintenance and works planned at Sophie House.

The remaining amount is within the fixed asset reserve which is the funds invested in fixed assets to allow the charity to carry out its work.

Restricted Funds

Restricted funds all relate to fixed assets for Sophie House where funding had been allocated solely for this purpose. The total fund balance at the year end is £1,287,961 which agrees to the net book value of restricted fixed assets.

17. CAPITAL COMMITMENTS

An order had been placed in the financial year for 2 Minibuses. Deposits have been paid of £4,493 each totalling £8,986. The total cost of each minibus was £44,930. As a result the total amount outstanding less any deposits paid is £80,874. Delivery is due late 2023. The deposits have been recognised in these financial statements.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023 or 31 March 2022.

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations & Grants	35,966	89,527
Investment income		
Deposit account interest	9,218	2,694
Charitable activities		
Invoiced Patient Care	4,495,425	4,297,020
Other income		
Gain on sale of tangible fixed assets	29,860	-
Insurance Claim Income	125,313	-
	155,173	-
Total incoming resources	4,695,782	4,389,241
EXPENDITURE		
Charitable activities		
Wages	3,307,289	3,089,745
Social security	230,819	251,341
Pensions	60,557	54,276
Rates, water & waste disposal	38,630	39,591
Light and heat	107,367	95,213
Insurance	45,776	38,987
	3,790,438	3,569,153
Support costs		
Other		
Medical & Hygiene	91,143	87,093
Telephone & IT Costs	16,774	14,964
Postage and stationery	8,233	7,314
Sundry Expenses	5,065	3,691
Cleaning & Laundry	10,666	12,509
Catering	47,643	35,602
Protective Clothing	4,049	4,777
Holidays & Activities	8,788	5,726
Recruitment Costs	17,011	14,111
CQC & CRB	4,472	3,978
Travelling	1,106	131
Motor Expenses	14,463	12,096
Property Expenses	35,325	35,846
Equipment Repairs & Small Tool	58,224	64,269
Licences & Subscriptions	1,714	1,490
Staff Training	6,259	5,679
Carried forward	330,935	309,276

This page does not form part of the statutory financial statements

Martha Trust Hereford Limited

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	31.3.23 £	31.3.22 £
Other		
Brought forward	330,935	309,276
Bank Charges	709	703
Charity Shop Cost	-	(68)
Freehold property	206,572	195,063
Loss on sale of tangible fixed assets	-	366
	538,216	505,340
Governance costs		
Wages	4,776	4,776
Auditors' remuneration	6,000	6,000
Accountancy fees	3,000	3,060
Legal fees	7,130	5,917
Office Costs	1,805	1,564
	22,711	21,317
Total resources expended	4,351,365	4,095,810
Net income	344,417	293,431

This page does not form part of the statutory financial statements

MARTHA TRUST HEREFORD LIMITED

England & Wales - Charity number 1053448

Accounts

Charity registration number 1053448

Company registration number 03164820 (England and Wales)

MARTHA TRUST HEREFORD LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

MARTHA TRUST HEREFORD LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R E L Smith Esq Miss S F Smith Mrs S J Sharp-Smith A C Stewart Esq S W Somers Esq Miss L M Sharp-Smith
Secretary	Miss S F Smith
Charlty number	1053448
Company number	03164820
Registered office	Hampton Green Old Eign Hill Hereford Herefordshire HR1 1UB
Auditor	Thorne Widgery Accountancy Ltd Wyevale Business Park 2 Wyevale Way Hereford Herefordshire HR4 7BS
Bankers	Lloyds TSB Bank Plc 38 Blue Boar Row Salisbury Wiltshire SP1 1DB
Solicitors	Willans LLP 28 Imperial Square Cheltenham Gloucestershire GL50 1RH Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham Gloucestershire GL20 1TD
Trust Directors	Mrs Sue McBride Dr Lisa Purslow

MARTHA TRUST HEREFORD LIMITED

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MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The Charity was established in 1996 to provide care for children and adults with complex and profound emotional and physical disabilities. In 1997 Martha House, a custom-designed home, was opened providing nursing and one-to-one care to residents. In 2012, the increased demand for the services offered at Martha House led to the decision to build a second home, Sophie House, in close proximity to the original home. The Charity aims to provide the highest possible quality of care enabling the residents to develop to their own full potential.

Public benefit

Martha Trust Hereford Limited offers lifelong care which is funded by the fees paid by the County Council or Clinical Commissioning Groups.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and to ensure that they provide public benefit.

Significant Activities

Martha House

The latest CQC inspection was July 2021 with a paper review carried out on 6 October 2022 all lines of inspection rated as good. The home has fourteen lifelong residents. The staff ensure that the residents have a busy but enjoyable time. This is overseen by the therapy staff who devise an activity programme to benefit the needs of individuals.

Sophie House

The latest CQC inspection was December 2018 with a paper review carried out on 6 October 2022 all lines of inspection rated as good. The home has fourteen lifelong residents. The activities available are similar to those provided at Martha House and the home also has a therapy team to oversee the activity programmes for each resident.

The shop

The charity shop closed on 13 March 2020 due to the covid 19 pandemic. The decision was taken not to renew the lease which expired in July 2021.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

The financial year ending 31 March 2022 proved to be a very busy time for the Charity. By the end of March 2022, the lifelong residents' occupancy for both homes totalled 28 individuals this included two new admissions within the 21/22 financial year.

Recruitment for nursing and care staff continues to be difficult due to the nationwide shortage. The Charity continues to offer a bursary scheme for staff expressing an interest in undertaking a nursing degree. In addition to the financial benefits of the project, the individual works for the Charity during university closure and gains experience in care to expand on their skills. The scheme guarantees the individual a position once they have obtained their degree.

The Nursing Associate Training Programme is continuing with the first two individuals completing their training in February 2022 providing the homes with additional nursing staff. Two further members of staff began training in February 2022. Any member of the care team can apply to undertake the training, which is currently operating in conjunction with the Open University, however they need to satisfy the relevant entry requirements. The Charity will offer trainee Nurse Associates from other localities the opportunity to undertake their learning disability placements in one of our homes which could lead to the recruitment of qualified Nurse Associates in the future.

The success of the charity in achieving its goals is largely measured and monitored against the many and varied requirements set out by the Care Quality Commission. The Trustees seek to ensure the charity provides high quality care within the learning disability care and services sector with the continual aim of achieving an 'outstanding' award for the work undertaken.

Financial review

Residents' fees are the principal funding source and are fully expended in meeting the objectives. An intensive analysis of the residents' current care needs and thus the staffing requirements to meet those needs, continues to be carried out to ensure that the fee levels are commensurate with the care plans.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to six month's salaries costs. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Reserves

The results for the year show net incoming resources of £293,431 (2021: net outgoing resources of £198,781). Net assets amounted to £8,802,201 (2021: £8,508,770).

Unrestricted funds are generated where there is no stipulation from the donor as to how the income may be spent. The Trustees have identified the need to maintain some reserves for set purposes and have designated reserves as follows:

The Trustees have set aside an operational reserve totalling £220,000 (2021: £220,000). This is to cover any unplanned structural repairs or replacement of equipment (£70,000) or to cover any temporary loss of income (£150,000).

A Sophie House fund of £100,000 (2021: £0) has been set aside for upcoming maintenance and works planned.

A Fixed Asset reserve comprises of the funds invested in fixed assets to allow the Charity to carry out its work. At 31 March 2022 the level of this reserve was £3,453,085 (2021: £3,465,655) (the book value of fixed assets that are not funded from restricted funds). At 31 March 2022 the restricted funds amounted to £1,321,510 (2021: £1,355,301).

As at 31 March 2022 undesignated free reserves amounted to £3,707,606 (2021: £3,467,814) after transfers to designated reserves had been made in the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Principal Risks and Uncertainties

The care provided by Martha Trust Hereford Limited is funded by the fees paid by the Local Authority or Clinical Commissioning Groups. The economic downturn has led to the failure of the public sector to provide increases in fees for the majority of vulnerable people living in care facilities. The Trustees are fully aware of this potential risk and it is being managed by the Trust Directors and the Trustees.

These factors mean that the reserves held by the Charity need to reflect these potential risks. The Charity provides lifelong care to our residents and the Trustees need to ensure the Charity is financially stable to meet their future needs.

The Trust Directors and management team continue to work together with the Care Quality Commission to ensure the service provided is safe, caring, responsive, effective and well led.

Plans for future periods

The Trust will continue to provide a loving, safe and secure home environment for our residents. To help us maintain our high quality of care we will encourage staff to develop their own individual potential.

The annual survey to the parents, staff and purchasing authorities will be undertaken;

The policies and procedures will be reviewed as required;

The required audits will be completed as directed by the Quality Audit Officer.

The Trustees have set aside funds for planned expenditure during the next financial year on the following items:

- Upgrade all bathrooms, clinical rooms, sluice, laundry and bedroom sink areas at Sophie House
- Sophie House 2 x boiler replacement
- Plan to erect a canopy in the garden at the rear of Sophie House to provide shade
- Extensive redecoration of Martha House communal areas and bedrooms including carpet replacement
- Martha House laundry & sluice upgrade
- Upgrade of 1 Martha House bathroom
- Additional storage at Martha House
- Repairs to Farmhouse roof
- Repairs to drainage from Farmhouse

Staffing

It has been established by the Government and the Care Quality Commission that there is a nationwide shortage of nurses and care staff. Martha Trust will continue to advertise all vacant posts as required however this is a nationwide concern with the population living longer and care homes being financially pressured by the lack of funding within the adult social care environment.

The Charity will continue with its involvement in the Nurse Associate Training Programme.

Quality

The Quality Audit Officer continues to review all the policies and procedures required by the homes. A timetable is produced detailing all the regular audit reports, which are undertaken both internally and also by external agencies. Purchasing authorities complete contract monitoring visits annually. A questionnaire will be issued to the parents, staff and purchasing authorities as a quality monitoring tool.

Structure, governance and management

The charity is a company limited by guarantee and as such is governed by its Memorandum and Articles of Association in accordance with the Companies Act 2006. It was incorporated on 21 February 1996.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R E L Smith Esq
Miss S F Smith
Mrs S J Sharp-Smith
A C Stewart Esq
S W Somers Esq
Miss L M Sharp-Smith

Recruitment and appointment of new Trustees

Potential Trustees are carefully selected from local people who have the required background and experience and who are likely to have a long-standing interest in the work of the Charity. They are approached personally by existing Trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Trustees consider six Trustees to be appropriate, in number, skill mix and in their contribution to the running of the Charity and the homes. There are no plans to appoint further Trustees at present. As it becomes necessary, the Trustees will determine potential candidates who, if willing to stand, will be considered by interview with the full Board. All Trustees submit DBS (Disclosure and Barring Service) disclosure applications.

Induction and training of new Trustees

An appropriate candidate is given an induction programme that includes an in-depth tour of both homes and discussions with the existing Trustees and senior management team. The successful appointee is given a portfolio of financial, governance and Charity Commission documents and is guided through the Board and management meetings providing an insight into the work of the Charity and the roles of individual managers. They are introduced informally to all staff, residents and families.

Management and staffing

The Charity is managed jointly by two Directors, Mrs S McBride and Dr Lisa Purslow. The Director of Care is responsible for the clinical operation of the Trust. Each home has a Registered Manager and Deputy Home Manager.

Sufficient staff are employed to generally facilitate one to one care. Each resident has a primary nurse, senior carer and key carers who provide continuity of care.

The day is divided into three shifts with at least one registered nurse on duty for each shift at each home. The waking night shift is staffed by a nurse with two carers and there is an on-call rota for nurses and managers in case of emergency. Extra staff will work at night when a resident is ill and requires one to one care throughout the night shift either in the home or the hospital. Other employed staff include; cooks, housekeepers, maintenance, gardening and administration.

The primary nurses and senior care staff on both sites plan, monitor and evaluate the activities which take place throughout the day. A team of professional therapists and the care staff provide a wide range of activities ensuring a balanced daily activity programme for each resident. This is complemented by social activities and outings.

Key management remuneration

The salaries for all senior managers are agreed by the Trustees and reviewed annually. Costed proposals are forwarded to the Trustees and these consider the economic climate, including risks associated with the lack of funding in adult social care and the effect this has on the income for the charity, local trends and length of time in service. The registered managers and their deputies have detailed roles and responsibilities against which their performance can be measured.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Related parties

The Charity works closely with the Care Quality Commission (CQC), County Councils, Clinical Commissioning Groups (CCG's) and all local and national agencies.

Martha Trust is one of very few providers of highly specialised care for individuals with profound and multiple learning and physical disabilities, particularly in relation to its ability to encompass children with adults in such a homely setting. Unlike most homes, the Trust has no age limit or geographical boundary and can therefore accept referrals from across the United Kingdom.

The Charity owns all the issued share capital of Martha Hereford (Developments) Limited, a Company incorporated in the United Kingdom. The Company was incorporated on 24 August 2009 to design and construct the second home on behalf of the Charity. The Company ceased trading on 31 March 2016.

Auditor

Thorne Widgey Accountancy Ltd were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

.....
R E L Smith Esq
Trustee

Date: 16/12/2022

MARTHA TRUST HEREFORD LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Martha Trust Hereford Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

MARTHA TRUST HEREFORD LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF MARTHA TRUST HEREFORD LIMITED

Opinion

We have audited the financial statements of Martha Trust Hereford Limited (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MARTHA TRUST HEREFORD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MARTHA TRUST HEREFORD LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

MARTHA TRUST HEREFORD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MARTHA TRUST HEREFORD LIMITED

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud.

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading charity meeting minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation, the Charities Act legislation and guidance issued by CQC (Care Quality Commission) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of other legislation recognising the nature of the Charity's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

MARTHA TRUST HEREFORD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MARTHA TRUST HEREFORD LIMITED

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lisa Weaver ACCA (Senior Statutory Auditor)
for and on behalf of Thorne Wldgery Accountancy Ltd

19/12/22

Chartered Accountants
Statutory Auditors

Wyevale Business Park
2 Wyevale Way
Hereford
Herefordshire
HR4 7BS

MARTHA TRUST HEREFORD LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations, legacies and grants	3	89,525	-	89,525	233,376	-	233,376
Charitable activities	4	4,297,020	-	4,297,020	3,982,148	-	3,982,148
Other trading activities	5	-	-	-	102	-	102
Investments	6	2,694	-	2,694	6,597	-	6,597
Total income		4,389,239	-	4,389,239	4,222,223	-	4,222,223
Expenditure on:							
Raising funds	7	(68)	-	(68)	1,691	-	1,691
Charitable activities	8	4,062,085	33,791	4,095,876	4,385,441	33,872	4,419,313
Total expenditure		4,062,017	33,791	4,095,808	4,387,132	33,872	4,421,004
Net income/(expenditure) for the year/							
Net movement in funds		327,222	(33,791)	293,431	(164,909)	(33,872)	(198,781)
Fund balances at 1 April 2021		7,153,469	1,355,301	8,508,770	7,318,378	1,389,173	8,707,551
Fund balances at 31 March 2022		7,480,691	1,321,510	8,802,201	7,153,469	1,355,301	8,508,770

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MARTHA TRUST HEREFORD LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	4,777,134		4,823,497	
Investments	13		1		1
		<u>4,777,135</u>		<u>4,823,498</u>	
Current assets					
Debtors	14	233,649		367,440	
Cash at bank and in hand		3,955,700		3,550,986	
		<u>4,189,349</u>		<u>3,918,426</u>	
Creditors: amounts falling due within one year	16	(164,283)		(233,154)	
Net current assets			4,025,066		3,685,272
Total assets less current liabilities			<u>8,802,201</u>		<u>8,508,770</u>
Income funds					
Restricted funds	18	1,321,510		1,355,301	
<u>Unrestricted funds - general</u>					
Designated funds	19	3,773,085		3,685,655	
General unrestricted funds		<u>3,707,606</u>		<u>3,467,814</u>	
			7,480,691		7,153,469
			<u>8,802,201</u>		<u>8,508,770</u>

The financial statements were approved by the Trustees on 16/12/2022

.....
R E L Smith Esq
Trustee

Company registration number 03164820

MARTHA TRUST HEREFORD LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		574,245		(221,098)
Investing activities					
Purchase of tangible fixed assets		(149,066)		(109,410)	
Proceeds from disposal of tangible fixed assets		-		3,652	
Investment income received		2,694		6,597	
Net cash used in investing activities			(146,372)		(99,161)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			427,873		(320,259)
Cash and cash equivalents at beginning of year			3,522,607		3,842,866
Cash and cash equivalents at end of year			3,950,480		3,522,607
Relating to:					
Cash at bank and in hand			3,955,700		3,550,986
Bank overdrafts included in creditors payable within one year			(5,220)		(28,379)

MARTHA TRUST HEREFORD LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Charity Information

Martha Trust Hereford Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hampton Green, Old Eign Hill, Hereford, Herefordshire, HR1 1UB.

2.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

2.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income from grants and government grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably.

Interest is included when received by the charity.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of the charity's activities.

2.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure. It is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. The charity has a capitalisation policy of £1,000.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2%, 15% and 20% straight line
Property improvements	2%, 5%, 15% and 20% straight line
Plant and equipment	15% straight line
Fixtures and fittings	15% and 33% straight line
Motor vehicles	25% straight line and 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

2.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised at transaction price after allowing for any trade discounts due.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies

(Continued)

2.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

3 Donations, legacies and grants

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Donations and gifts	15,392	21,727
Grants including Covid 19 grants	74,133	211,649
	<u>89,525</u>	<u>233,376</u>
Grants receivable for core activities		
Nurse training grant	23,700	27,650
Coronavirus Job Retention scheme & SSP grants	16,965	114,745
Other Coronavirus grants	33,468	69,254
	<u>74,133</u>	<u>211,649</u>

Grants

Grants includes a total of £50,433 (2021: £183,999) from government grants in respect of the Coronavirus Job Retention Scheme and local government grants due to Coronavirus.

4 Charitable activities

	2022 £	2021 £
Invoiced patient care	<u>4,297,020</u>	<u>3,982,148</u>

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Other trading activities

	Total	Unrestricted funds general
	2022	2021
	£	£
Charity shop income	-	102
	<u>-</u>	<u>102</u>

6 Investments

	Unrestricted funds general	Unrestricted funds general
	2022	2021
	£	£
Interest receivable	2,694	6,597
	<u>2,694</u>	<u>6,597</u>

7 Raising funds

	Unrestricted funds general	Unrestricted funds general
	2022	2021
	£	£
Trading costs		
Operating charity shops	(68)	1,691
	<u>(68)</u>	<u>1,691</u>

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities

	2022 £	2021 £
Staff costs	3,395,362	3,729,550
Rates, water and waste disposal	39,589	38,522
Insurance	38,987	26,167
Light and heat	95,213	80,651
	<u>3,569,151</u>	<u>3,874,890</u>
Share of support costs (see note 10)	505,408	523,158
Share of governance costs (see note 10)	21,317	21,265
	<u>4,095,876</u>	<u>4,419,313</u>
Analysis by fund		
Unrestricted funds - general	4,062,085	4,385,441
Restricted funds	33,791	33,872
	<u>4,095,876</u>	<u>4,419,313</u>
For the year ended 31 March 2021		
Unrestricted funds - general	4,385,441	
Restricted funds	33,872	
	<u>4,419,313</u>	

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

None of the trustees received any expenses from the charity during the year.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Staff costs	-	4,776	4,776	4,776
Depreciation	195,429	-	195,429	176,082
Telephone and IT costs	14,964	-	14,964	14,797
Postage and stationery	7,314	-	7,314	8,018
Medical and hygiene	87,093	-	87,093	156,372
Cleaning and laundry	12,509	-	12,509	8,669
Catering	35,602	-	35,602	34,646
Protective clothing	4,777	-	4,777	2,846
Holidays and activities	5,726	-	5,726	2,238
Recruitment costs	14,111	-	14,111	19,135
CQC & CRB	3,978	-	3,978	3,308
Travelling and subsistence	131	-	131	167
Motor expenses	12,096	-	12,096	14,741
Property repairs	35,846	-	35,846	16,194
Equipment repairs and small tools	64,269	-	64,269	56,039
Licences and subscriptions	1,490	-	1,490	1,600
Staff training	5,679	-	5,679	4,163
Sundry expenses	3,691	-	3,691	3,394
Bank charges	703	-	703	749
Audit fees	-	6,000	6,000	4,176
Accountancy	-	3,060	3,060	2,694
Legal and professional	-	5,917	5,917	8,259
Office costs	-	1,564	1,564	1,360
	<u>505,408</u>	<u>21,317</u>	<u>526,725</u>	<u>544,423</u>
Analysed between				
Charitable activities	<u>505,408</u>	<u>21,317</u>	<u>526,725</u>	<u>544,423</u>

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Full time (more than 30 hours per week)	74	68
Part time (30 hours or less per week)	65	74
Total	<u>139</u>	<u>142</u>

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	3,094,521	3,462,808
Social security costs	251,341	220,780
Other pension costs	54,276	50,738
	<u>3,400,138</u>	<u>3,734,326</u>

During the year the charity paid remuneration to key management personnel totalling £246,790 (2021: £257,192).

All pension costs are from wholly unrestricted funds.

Full time equivalent employees - analysed by function

Patient Care	105
Management & Admin	<u>12</u>
Total	117

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,000 to £70,000	-	1

There were no employees whose annual remuneration was £60,000 or more.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets	Freehold land and buildings £	Property improvements £	Plant and equipment £	Fixtures and Motor vehicles fittings £	Total £
Cost					
At 1 April 2021	5,602,278	484,642	81,773	616,121	6,974,747
Additions	-	-	-	149,066	149,066
Disposals	-	-	-	(44,776)	(44,776)
At 31 March 2022	5,602,278	484,642	81,773	720,411	7,079,037
Depreciation and impairment					
At 1 April 2021	1,336,530	113,596	70,517	441,018	2,151,249
Depreciation charged in the year	116,111	12,659	4,945	61,262	195,064
Eliminated in respect of disposals	-	-	-	(44,410)	(44,410)
At 31 March 2022	1,452,641	126,255	75,462	457,870	2,301,903
Carrying amount					
At 31 March 2022	4,149,637	358,387	6,311	262,541	4,777,134
At 31 March 2021	4,265,748	371,046	11,256	175,103	4,823,497

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Fixed asset Investments

		Other Investments
Cost or valuation		
At 1 April 2021 & 31 March 2022		1
Carrying amount		
At 31 March 2022		1
At 31 March 2021		1

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	22	1	1

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	173,264	320,061
Amounts owed by subsidiary undertakings	11,382	11,382
Prepayments and accrued income	49,003	35,997
	<u>233,649</u>	<u>367,440</u>

15 Loans and overdrafts

	2022 £	2021 £
Bank overdrafts	<u>5,220</u>	<u>28,379</u>
Payable within one year	<u>5,220</u>	<u>28,379</u>

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank overdrafts	15	5,220	28,379
Other taxation and social security		68,170	64,447
Deferred income	17	9,035	2,277
Trade creditors		48,522	98,721
Other creditors		11,624	11,539
Accruals		21,712	27,791
		<u>164,283</u>	<u>233,154</u>

17 Deferred Income

	2022 £	2021 £
Arising from Patient care invoices raised in advance	<u>9,035</u>	<u>2,277</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred Income is included within:		
Current liabilities	<u>9,035</u>	<u>2,277</u>
Movements in the year:		
Deferred income at 1 April 2021	2,277	2,430
Released from previous periods	(2,277)	(2,430)
Resources deferred in the year	<u>9,035</u>	<u>2,277</u>
Deferred income at 31 March 2022	<u>9,035</u>	<u>2,277</u>

All deferred income is released in the next year.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020	Revaluations, gains and losses	Balance at 1 April 2021	Revaluations, gains and losses	Balance at 31 March 2022
	£	£	£	£	£
Property and landscaping	136,629	(3,341)	133,288	(3,341)	129,947
Motor vehicles	22	(6)	16	(4)	12
New home building	1,242,909	(29,305)	1,213,604	(29,305)	1,184,299
Camcorder	79	(79)	-	-	-
Bathroom	7,484	(191)	7,293	(191)	7,102
EyeGaze system	418	(196)	222	(196)	26
Sensory equipment	1,458	(676)	782	(676)	106
Beamz - Sophie House	174	(78)	96	(78)	18
	<u>1,389,173</u>	<u>(33,872)</u>	<u>1,355,301</u>	<u>(33,791)</u>	<u>1,321,510</u>

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020	Transfers	Revaluations, gains and losses	Balance at 1 April 2021	Transfers	Revaluations, gains and losses	Balance at 31 March 2022
	£	£	£	£	£	£	£
Operational fund	220,000	-	-	220,000	-	-	220,000
Fixed asset reserve	3,502,187	109,410	(145,942)	3,465,655	149,069	(161,639)	3,453,085
Sophie House	-	-	-	-	100,000	-	100,000
	<u>3,725,369</u>	<u>109,410</u>	<u>(145,942)</u>	<u>3,685,655</u>	<u>249,069</u>	<u>(161,639)</u>	<u>3,773,085</u>

The Operational fund is to cover any unplanned structural repairs or replacement of equipment or temporary loss of income.

The Fixed asset fund is the funds invested in fixed assets to allow the charity to carry out its work.

The Sophie House fund is for upcoming maintenance and works planned at Sophie House.

Within the previous years' filed accounts, there was a disclosure error relating to the brought forward fixed asset reserve balance amounting to £3,182. The brought forward balance as at 1 April 2020 has therefore been updated from £3,505,369, to £3,502,187.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	3,453,085	1,324,049	4,777,134	3,465,657	1,357,840	4,823,497
Investments	1	-	1	1	-	1
Current assets/(liabilities)	4,027,605	(2,539)	4,025,066	3,687,811	(2,539)	3,685,272
	<u>7,480,691</u>	<u>1,321,510</u>	<u>8,802,201</u>	<u>7,153,469</u>	<u>1,355,301</u>	<u>8,508,770</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

22 Subsidiaries

The financial statements of the subsidiary are separate charity financial statements for Martha Hereford (Developments) Ltd, Hampton Green, Old Eign Hill, Hereford, HR1 1UB.

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Martha Hereford (Developments) Limited	UK	Project management services	Ordinary	100.00

23 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	293,431	(198,781)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,694)	(6,597)
Loss/(gain) on disposal of tangible fixed assets	366	(2,525)
Depreciation and impairment of tangible fixed assets	195,063	178,607
Movements in working capital:		
Decrease/(Increase) in debtors	133,791	(207,383)
(Decrease)/Increase in creditors	(52,470)	15,734
Increase/(decrease) in deferred income	6,758	(153)
Cash generated from/(absorbed by) operations	<u>574,245</u>	<u>(221,098)</u>

24 Analysis of changes in net funds

The charity had no debt during the year.

MARTHA TRUST HEREFORD LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and grants	89,525	233,376
Charitable activities		
Invoiced patient care	4,297,020	3,982,148
Other trading activities		
Charity shop income	-	102
Investment Income		
Deposit account interest	2,694	6,597
Total incoming resources	4,389,239	4,222,223
EXPENDITURE		
Charitable activities		
Wages	3,341,086	3,678,812
Pensions	54,276	50,738
Rates, water and waste disposal	39,589	38,522
Insurance	38,987	26,167
Light and heat	95,213	80,651
Support costs		
Telephone and IT costs	14,964	14,797
Postage and stationery	7,314	8,018
Medical and hygiene	87,093	156,372
Cleaning and laundry	12,509	8,669
Catering	35,602	34,646
Protective clothing	4,777	2,846
Holidays and activities	5,726	2,238
Recruitment costs	14,111	19,135
CQC and CRB	3,978	3,308
Travelling and subsistence	131	167
Motor expenses	12,096	14,741
Property repairs	35,846	16,194
Equipment repairs and small tools	64,269	56,039
Licences and subscriptions	1,490	1,600
Staff training	5,679	4,163
Sundry expenses	3,691	3,394
Bank charges	703	749
Donations	-	-
Depreciation and loss on disposal of fixed assets	195,429	176,082

MARTHA TRUST HEREFORD LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Governance costs		
Accountancy fees	3,060	2,694
Auditors' remuneration	6,000	4,176
Legal and professional fees	5,917	8,259
Wages	4,776	4,776
Office costs	1,564	1,360
Other trading activities		
Charity shop costs	(68)	1,691
Total resources expended	4,095,808	4,421,004
Net Income/(expenditure)	293,431	(198,781)

MARTHA TRUST HEREFORD LIMITED

England & Wales - Charity number 1053448

Accounts

Charity Registration No. 1053448

Company Registration No. 03164820 (England and Wales)

MARTHA TRUST HEREFORD LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

MARTHA TRUST HEREFORD LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R E L Smith Esq Miss S F Smith Mrs S J Sharp-Smith A C Stewart Esq S W Somers Esq Miss L M Sharp-Smith
Secretary	Miss S F Smith
Charity number	1053448
Company number	03164820
Registered office	Hampton Green Old Eign Hill Hereford Herefordshire HR1 1UB
Auditor	Hawkins Priday Ltd 5 Bridge Street Hereford HR4 9DF
Bankers	Lloyds TSB Bank Plc 38 Blue Boar Row Salisbury Wiltshire SP1 1DB
Solicitors	Willans LLP 28 Imperial Square Cheltenham Gloucestershire GL50 1RH Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham Gloucestershire GL20 1TD
Trust Director	Mrs Sue McBride

MARTHA TRUST HEREFORD LIMITED

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MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The Charity was established in 1996 to provide care for children and adults with complex and profound emotional and physical disabilities. In 1997 Martha House, a custom-designed home, was opened providing nursing and one-to-one care to residents. In 2012, the increased demand for the services offered at Martha House led to the decision to build a second home, Sophie House, in close proximity to the original home. The Charity aims to provide the highest possible quality of care enabling the residents to develop to their own full potential.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Significant Activities

Martha House

Following a CQC inspection in June 2018 Martha House was judged to be compliant. The home has beds for fourteen lifelong residents. The staff ensure that the residents have a busy but enjoyable time. This is overseen by the therapy staff who devise an activity programme to benefit the needs of individuals.

Sophie House

The home has beds for fourteen lifelong residents. The activities available are similar to those provided at Martha House and the home also has a therapy team to oversee the activity programmes for each resident.

Public benefit

Martha Trust Hereford Limited offers lifelong care which is funded by the fees paid by the County Council or Clinical Commissioning Groups.

The shop

The charity shop which opened in Hereford in December 1997 is managed by one of the Trustees and staffed entirely by volunteers selling only donated goods. The profits from the shop are used to pay for specialised equipment or special events for the residents. The funds are not required for the day to day operation of the charity. No income or cost is recognised in the accounts for the time given by the volunteers in staffing the shop for which the trustees continue to be extremely grateful. Due to the Coronavirus lockdown the shop closed on 13 March 2020 and a decision was made to not renew the lease and to permanently close the shop.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

The financial year ending 31 March 2021 proved to be a very busy time for the Charity. By the end of March 2021, the lifelong residents' occupancy for both homes totalled 26 individuals this included two new admissions with two further admissions due within the 21/22 financial year. Due to the onset of coronavirus the decision was made to cease all respite care with immediate effect and admit lifelong individuals as detailed above. The provision of day care would be considered at a later date when the ongoing coronavirus situation was more settled.

Recruitment for nursing and care staff continues to be difficult due to the nationwide shortage. Coronavirus during 2020/21 resulted in the suspension of the movement of staff between care homes and the furlough scheme also reduced the opportunity to recruit to vacant posts. The use of agency staff was restricted due to the ruling concerning movement of staff so the current agency cohort who had been working in either home remained as part of the staffing and some switched to permanent employment with the Charity. The Charity continues to offer a bursary scheme for staff expressing an interest in undertaking a nursing degree. In addition to the financial benefits of the project, the individual works for the Charity during university closure and gains experience in care to expand on their skills. The scheme guarantees the individual a position once they have obtained their degree.

The introduction of the Nursing Associate Training Programme has been underway for two years and the first Nurse Associates will be fully trained by February 2022 this will provide the homes with additional nursing staff. Any member of the care team can apply to undertake the training, which is currently operating in conjunction with the Open University, however they need to satisfy the relevant entry requirements. The Charity will offer trainee Nurse Associates from other localities the opportunity to undertake their learning disability placements in one of our homes which could lead to the recruitment of qualified Nurse Associates in the future. The success of the charity in achieving its goals is largely measured and monitored against the many and varied requirements set out by the Care Quality Commission. The Trustees seek to ensure the charity provides high quality care within the learning disability care and services sector with the continual aim of achieving an 'outstanding' award for the work undertaken. Currently, both Martha House and Sophie House are rated as 'good' by the Care Quality Commission.

Financial review

Residents' fees are the principal funding source and are fully expended in meeting the objectives. An intensive analysis of the residents' current care needs and thus the staffing requirements to meet those needs, continues to be carried out to ensure that the fee levels are commensurate with the care plans.

Reserves

The results for the year show net outgoing resources of £198,781 (2020: net incoming resources of £171,468). Net assets amounted to £8,508,770 (2020: £8,707,551).

Unrestricted funds are generated where there is no stipulation from the donor as to how the income may be spent. The Trustees have identified the need to maintain some reserves for set purposes and have designated reserves as follows:

The Trustees have set aside an operational reserve totalling £220,000 (2020: £220,000). This is to cover any unplanned structural repairs or replacement of equipment (£70,000) or to cover any temporary loss of income (£150,000).

A Fixed Asset reserve comprises of the funds invested in fixed assets to allow the Charity to carry out its work. At 31 March 2021 the level of this reserve was £3,468,837 (2020: £3,505,369) (the book value of fixed assets that are not funded from restricted funds). At 31 March 2021 the restricted funds amounted to £1,355,301 (2020: £1,389,173).

As at 31 March 2021 undesignated free reserves amounted to £3,464,632 (2020: £3,593,009) after transfers to designated reserves had been made in the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Principal Risks and Uncertainties

The care provided by Martha Trust Hereford Limited is funded by the fees paid by the Local Authority or Clinical Commissioning Groups. The economic downturn has led to the failure of the public sector to provide increases in fees for the majority of vulnerable people living in care facilities. The Trustees are fully aware of this potential risk and it is being managed by the Trust Directors and the Trustees.

These factors mean that the reserves held by the Charity need to reflect these potential risks. The Charity provides lifelong care to our residents and the Trustees need to ensure the Charity is financially stable to meet their future needs.

The Trust Directors and management team continue to work together with the Care Quality Commission to ensure the service provided is safe, caring, responsive, effective and well led.

On 8th March 2020 coronavirus resulted in both homes closing to all visitors including respite and day care which would have a detrimental effect on the finances of the Charity. The decision was made by the Trustees and Directors to cease all respite care and admit lifelong people to the vacant beds.

Plans for future periods

The Trust will continue to provide a loving, safe and secure home environment for our residents. To help us maintain our high quality of care we will encourage staff to develop their own individual potential.

The annual survey to the parents, staff and purchasing authorities will be undertaken;

The policies and procedures will be reviewed as required;

The required audits will be completed as directed by the Quality Audit Officer.

The Trustees have set aside funds for planned expenditure during the next financial year on the following items:

- £68,000 for computer system
- £25,000 for purchase of wheelchair accessible swings, one per site
- Upgrade all bathrooms at Sophie House - awaiting quotations
- £48,420 to refurbish the wheelchair store creating a meeting room and music therapy room and to make changes to the visitors entrance, and dining areas at Martha House. This may be delayed until 22/23.
- £21,084 to erect a canopy in the garden at the rear of Sophie House to provide shade
- £15,000 alterations to the gardens at Martha House - ongoing

Staffing

It has been established by the Government and the Care Quality Commission that there is a nationwide shortage of nurses and care staff. Martha Trust will continue to advertise all vacant posts as required however this is a nationwide concern with the population living longer and care homes being financially pressured by the lack of funding within the adult social care environment.

The Charity will continue with its involvement in the Nurse Associate Training Programme.

Quality

The Quality Audit Officer continues to review all the policies and procedures required by the homes. A timetable is produced detailing all the regular audit reports, which are undertaken both internally and also by external agencies. Purchasing authorities complete contract monitoring visits annually. A questionnaire will be issued to the parents, staff and purchasing authorities as a quality monitoring tool.

Structure, governance and management

The charity is a company limited by guarantee and as such is governed by its Memorandum and Articles of Association in accordance with the Companies Act 2006. It was incorporated on 21 February 1996.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R E L Smith Esq

Miss S F Smith

Mrs S J Sharp-Smith

A C Stewart Esq

S W Somers Esq

Miss L M Sharp-Smith

Recruitment and appointment of new Trustees

Potential Trustees are carefully selected from local people who have the required background and experience and who are likely to have a long-standing interest in the work of the Charity. They are approached personally by existing Trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

Following the opening of our second home, Sophie House, in October 2012, a new Trustee was appointed in January 2013 making a total of six. The Trustees consider this to be appropriate, in number, skill mix and in their contribution to the running of the Charity and the homes. There are no plans to appoint further Trustees at present. As it becomes necessary, the Trustees will determine potential candidates who, if willing to stand, will be considered by interview with the full Board. All Trustees submit DBS (Disclosure and Barring Service) disclosure applications.

Induction and training of new Trustees

An appropriate candidate is given an induction programme that includes an in-depth tour of both homes and discussions with the existing Trustees and senior management team. The successful appointee is given a portfolio of financial, governance and Charity Commission documents and is guided through the Board and management meetings providing an insight into the work of the Charity and the roles of individual managers. They are introduced informally to all staff, residents and families.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Management and staffing

The Charity is managed by the Trust Director, Mrs S McBride, supported by a Deputy Trust Director, Dr Lisa Purslow appointed in March 2019, a Director of Care, Registered Managers and Deputies in each of the homes. The Quality Audit Assistant works across both sites.

Sufficient staff are employed to generally facilitate one to one care. Each resident has a primary nurse, senior carer and key carers who provide continuity of care.

The day is divided into three shifts with at least one registered nurse on duty for each shift at each home. The waking night shift is staffed by a nurse with two carers and there is an on-call rota for nurses and managers in case of emergency. Extra staff will work at night when a resident is ill and requires one to one care throughout the night shift either in the home or the hospital. Other employed staff include; cooks, housekeepers, maintenance, gardening and administration.

The primary nurses and senior care staff on both sites plan, monitor and evaluate the activities which take place throughout the day. A team of professional therapists and the care staff provide a wide range of activities ensuring a balanced daily activity programme for each resident. This is complemented by social activities, outings and holidays.

Key management remuneration

The salaries for all senior managers are agreed by the Trustees and reviewed annually. Costed proposals are forwarded to the Trustees and these take into account the economic climate, including risks associated with the lack of funding in adult social care and the effect this has on the income for the charity, local trends and length of time in service. The registered managers and their deputies have detailed roles and responsibilities against which their performance can be measured.

Related parties

The Charity works closely with the Care Quality Commission (CQC), County Councils, Clinical Commissioning Groups (CCG's) and all local and national agencies involved in caring for people with mental and physical disabilities.

Martha Trust has an extremely high profile in the UK care sector and remains one of very few providers of this level of care, particularly in relation to its ability to encompass children with adults in such a homely setting. Unlike most homes, the Trust has no age limit or geographical boundary and can therefore accept referrals from across the United Kingdom.

The Charity owns all the issued share capital of Martha Hereford (Developments) Limited, a Company incorporated in the United Kingdom. The Company was incorporated on 24 August 2009 to design and construct the second home on behalf of the Charity. The Company ceased trading on 31 March 2016.

Auditor

In accordance with the company's articles, a resolution proposing that Hawkins Priday Ltd be reappointed as auditor of the company will be put at a General Meeting.

MARTHA TRUST HEREFORD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

R E L Smith Esq
Trustee

17 December 2021

MARTHA TRUST HEREFORD LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of Martha Trust Hereford Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

MARTHA TRUST HEREFORD LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF MARTHA TRUST HEREFORD LIMITED

Opinion

We have audited the financial statements of Martha Trust Hereford Limited (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 25 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MARTHA TRUST HEREFORD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MARTHA TRUST HEREFORD LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

MARTHA TRUST HEREFORD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MARTHA TRUST HEREFORD LIMITED

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Kelvin Paul Alexander FCCA (Senior Statutory Auditor)
for and on behalf of Hawkins Priddy Ltd

23 December 2021

Chartered Certified Accountants
Statutory Auditor

5 Bridge Street
Hereford
HR4 9DF

MARTHA TRUST HEREFORD LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations, legacies and grants	3	233,376	-	233,376	16,455	-	16,455
Charitable activities	4	3,982,148	-	3,982,148	4,051,003	-	4,051,003
Other trading activities	5	102	-	102	39,166	-	39,166
Investments	6	6,597	-	6,597	22,494	-	22,494
Total income		4,222,223	-	4,222,223	4,129,118	-	4,129,118
Expenditure on:							
Raising funds	7	1,691	-	1,691	12,282	-	12,282
Charitable activities	8	4,385,441	33,872	4,419,313	3,908,164	37,204	3,945,368
Total resources expended		4,387,132	33,872	4,421,004	3,920,446	37,204	3,957,650
Net (expenditure)/income for the year/							
Net movement in funds		(164,909)	(33,872)	(198,781)	208,672	(37,204)	171,468
Fund balances at 1 April 2020		7,318,378	1,389,173	8,707,551	7,109,706	1,426,377	8,536,083
Fund balances at 31 March 2021		7,153,469	1,355,301	8,508,770	7,318,378	1,389,173	8,707,551

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MARTHA TRUST HEREFORD LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	4,823,497		4,893,820	
Investments	13	1		1	
		<u>4,823,498</u>		<u>4,893,821</u>	
Current assets					
Debtors	14	367,440		160,057	
Cash at bank and in hand		3,550,986		3,842,866	
		<u>3,918,426</u>		<u>4,002,923</u>	
Creditors: amounts falling due within one year	16	(233,154)		(189,193)	
Net current assets		<u>3,685,272</u>		<u>3,813,730</u>	
Total assets less current liabilities		<u><u>8,508,770</u></u>		<u><u>8,707,551</u></u>	
Income funds					
Restricted funds	18	1,355,301		1,389,173	
<u>Unrestricted funds - general</u>					
Designated funds	19	3,688,837		3,725,369	
General unrestricted funds		<u>3,464,632</u>		<u>3,593,009</u>	
		<u>7,153,469</u>		<u>7,318,378</u>	
		<u><u>8,508,770</u></u>		<u><u>8,707,551</u></u>	

The financial statements were approved by the Trustees on 17 December 2021

R E L Smith Esq
Trustee

Company Registration No. 03164820

MARTHA TRUST HEREFORD LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(221,098)		420,895
Investing activities					
Purchase of tangible fixed assets		(109,410)		(179,970)	
Proceeds on disposal of tangible fixed assets		3,652		-	
Investment income received		6,597		22,494	
Net cash used in investing activities			(99,161)		(157,476)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(320,259)		263,419
Cash and cash equivalents at beginning of year			3,842,866		3,579,447
Cash and cash equivalents at end of year			3,522,607		3,842,866
Relating to:					
Cash at bank and in hand			3,550,986		3,842,866
Bank overdrafts included in creditors payable within one year			(28,379)		-

MARTHA TRUST HEREFORD LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Charity information

Martha Trust Hereford Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hampton Green, Old Eign Hill, Hereford, Herefordshire, HR1 1UB.

2.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

2.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

No income or cost is recognised for the general volunteer time given for the running of the charity shop and refer to the Trustees Annual Report for more information about their contribution. No value is attributed to goods donated for the purposes of re-sale in the charity shop.

Interest is included when received by the charity.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of the charity's activities, net of discounts, VAT and other sales related taxes.

2.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2%, 15% and 20% straight line
Property improvements	2%, 5%, 15% and 20% straight line
Plant and equipment	15% straight line
Fixtures and fittings	15% and 33% straight line
Motor vehicles	25% straight line and 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies

(Continued)

2.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised at transaction price after allowing for any trade discounts due.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies

(Continued)

2.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

3 Donations, legacies and grants

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	21,727	16,455
Grants including Covid 19 grants	211,649	-
	<u>233,376</u>	<u>16,455</u>
Grants receivable for core activities		
Nurse training grant	27,650	-
Coronavirus Job Retention scheme & SSP grants	114,745	-
Other Coronavirus grants	69,254	-
	<u>211,649</u>	<u>-</u>

Grants

Grants includes a total of £183,999 from government grants in respect of the Coronavirus Job Retention Scheme and local government grants due to Coronavirus.

4 Charitable activities

	2021 £	2020 £
Invoiced patient care	<u>3,982,148</u>	<u>4,051,003</u>

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Therapy Centre fees	-	1,460
Charity shop income	102	37,706
Other trading activities	102	39,166

6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	6,597	22,494

7 Raising funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
<u>Trading costs</u>		
Operating charity shops	1,691	12,282
	1,691	12,282

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Charitable activities

	2021 £	2020 £
Staff costs	3,729,550	3,191,940
Rates, water and waste disposal	38,522	40,841
Insurance	26,167	20,433
Light and heat	80,651	70,212
	<u>3,874,890</u>	<u>3,323,426</u>
Share of support costs (see note 9)	523,158	596,651
Share of governance costs (see note 9)	21,265	25,291
	<u>4,419,313</u>	<u>3,945,368</u>
Analysis by fund		
Unrestricted funds - general	4,385,441	3,908,164
Restricted funds	33,872	37,204
	<u>4,419,313</u>	<u>3,945,368</u>
For the year ended 31 March 2020		
Unrestricted funds - general	3,908,164	
Restricted funds	37,204	
	<u>3,945,368</u>	

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Staff costs	-	4,776	4,776	4,776
Depreciation	176,082	-	176,082	190,877
Telephone and IT costs	14,797	-	14,797	14,860
Postage and stationery	8,018	-	8,018	10,424
Medical and hygiene	156,372	-	156,372	71,686
Cleaning and laundry	8,669	-	8,669	12,266
Catering	34,646	-	34,646	38,936
Protective clothing	2,846	-	2,846	7,110
Holidays and activities	2,238	-	2,238	8,792
Recruitment costs	19,135	-	19,135	4,907
CQC & CRB	3,308	-	3,308	3,318
Travelling and subsistence	167	-	167	843
Motor expenses	14,741	-	14,741	28,260
Property repairs	16,194	-	16,194	112,655
Equipment repairs and small tools	56,039	-	56,039	67,515
Licences and subscriptions	1,600	-	1,600	1,788
Staff training	4,163	-	4,163	7,475
Sundry expenses	3,394	-	3,394	4,195
Bank charges	749	-	749	744
Donations	-	-	-	10,000
 Audit fees	-	4,176	4,176	4,140
Accountancy	-	2,694	2,694	2,610
Legal and professional	-	8,259	8,259	12,531
Office costs	-	1,360	1,360	1,234
	<u>523,158</u>	<u>21,265</u>	<u>544,423</u>	<u>621,942</u>
 Analysed between Charitable activities	<u>523,158</u>	<u>21,265</u>	<u>544,423</u>	<u>621,942</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Full time (more than 30 hours per week)	68	64
Part time (30 hours or less per week)	74	79
Total	142	143

Employment costs

	2021 £	2020 £
Wages and salaries	3,462,808	2,983,061
Social security costs	220,780	171,569
Other pension costs	50,738	42,086
	3,734,326	3,196,716

During the year the charity paid remuneration to key management personnel totalling £257,192 (2020: £197,401).

All pension costs are from wholly unrestricted funds.

Full time equivalent employees - analysed by function

Patient Care	103
Management & Admin	13
Total	116

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£60,000 to £70,000	1	-

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Tangible fixed assets

	Freehold land and buildings £	Property improvements £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost						
At 1 April 2020	5,602,278	418,165	83,523	587,847	257,192	6,949,005
Additions	-	66,477	-	42,933	-	109,410
Disposals	-	-	(1,750)	(14,659)	(67,259)	(83,668)
At 31 March 2021	5,602,278	484,642	81,773	616,121	189,933	6,974,747
Depreciation and impairment						
At 1 April 2020	1,220,419	101,486	67,201	409,654	256,424	2,055,184
Depreciation charged in the year	116,111	12,110	5,066	45,171	149	178,607
Eliminated in respect of disposals	-	-	(1,750)	(13,807)	(66,984)	(82,541)
At 31 March 2021	1,336,530	113,596	70,517	441,018	189,589	2,151,250
Carrying amount						
At 31 March 2021	4,265,748	371,046	11,256	175,103	344	4,823,497
At 31 March 2020	4,381,860	316,678	16,322	178,192	768	4,893,820

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2020 & 31 March 2021		1
		<u> </u>
Carrying amount		
At 31 March 2021		1
		<u> </u>
At 31 March 2020		1
		<u> </u>

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries	22	1	1
		<u> </u>	<u> </u>

14 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	320,061	109,696
Amounts owed by subsidiary undertakings	11,382	11,382
Prepayments and accrued income	35,997	38,979
	<u>367,440</u>	<u>160,057</u>

15 Loans and overdrafts

	2021 £	2020 £
Bank overdrafts	28,379	-
	<u>28,379</u>	<u> </u>
Payable within one year	28,379	-
	<u>28,379</u>	<u> </u>

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank overdrafts	15	28,379	-
Other taxation and social security		64,447	41,610
Deferred income	17	2,277	2,430
Trade creditors		98,721	111,502
Other creditors		11,539	8,661
Accruals		27,791	24,990
		<u>233,154</u>	<u>189,193</u>

17 Deferred income

	2021 £	2020 £
Arising from Patient care invoices raised in advance	<u>2,277</u>	<u>2,430</u>

All deferred income is released in the next year.

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019 £	Revaluations, gains and losses £	Balance at 1 April 2020 £	Revaluations, gains and losses £	Balance at 31 March 2021 £
Property and landscaping	139,970	(3,341)	136,629	(3,341)	133,288
Motor vehicles	29	(7)	22	(6)	16
New home building	1,272,214	(29,305)	1,242,909	(29,305)	1,213,604
Camcorder	79	-	79	(79)	-
Bathroom	7,675	(191)	7,484	(191)	7,293
Therapy music equipment	24	(24)	-	-	-
Keyboard and piano	52	(52)	-	-	-
Sophie House equipment	3,334	(3,334)	-	-	-
EyeGaze system	614	(196)	418	(196)	222
Sensory equipment	2,134	(676)	1,458	(676)	782
Beamz - Sophie House	252	(78)	174	(78)	96
	<u>1,426,377</u>	<u>(37,204)</u>	<u>1,389,173</u>	<u>(33,872)</u>	<u>1,355,301</u>

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019	Transfers	Revaluations, gains and losses	Balance at 1 April 2020	Transfers	Revaluations, gains and losses	Balance at 31 March 2021
	£	£	£	£	£	£	£
Operational fund	220,000	-	-	220,000	-	-	220,000
Fixed asset reserve	3,479,072	179,970	(153,673)	3,505,369	109,410	(145,942)	3,468,837
	<u>3,699,072</u>	<u>179,970</u>	<u>(153,673)</u>	<u>3,725,369</u>	<u>109,410</u>	<u>(145,942)</u>	<u>3,688,837</u>

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	3,465,657	1,357,840	4,823,497	3,502,187	1,391,633	4,893,820
Investments	1	-	1	1	-	1
Current assets/ (liabilities)	3,687,811	(2,539)	3,685,272	3,816,190	(2,460)	3,813,730
	<u>7,153,469</u>	<u>1,355,301</u>	<u>8,508,770</u>	<u>7,318,378</u>	<u>1,389,173</u>	<u>8,707,551</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

22 Subsidiaries

These financial statements are separate charity financial statements for Martha Hereford (Developments) Ltd, Hampton Green, Old Eign Hill, Hereford, HR1 1UB.

Details of the charity's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Martha Hereford (Developments) Limited	UK	Project management services	Ordinary	100.00

MARTHA TRUST HEREFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

23	Cash generated from operations	2021	2020
		£	£
	(Deficit)/surplus for the year	(198,781)	171,468
	Adjustments for:		
	Investment income recognised in statement of financial activities	(6,597)	(22,494)
	(Gain)/loss on disposal of tangible fixed assets	(2,525)	2,493
	Depreciation and impairment of tangible fixed assets	178,607	188,384
	Movements in working capital:		
	(Increase)/decrease in debtors	(207,383)	14,576
	Increase in creditors	15,734	67,799
	(Decrease) in deferred income	(153)	(1,331)
	Cash (absorbed by)/generated from operations	(221,098)	420,895

24 Analysis of changes in net funds

The charity had no debt during the year.

25 Non-audit services provided by auditor

In common with many other businesses of our size and nature, we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.