



Ronald McDonald House Charities (UK)

Annual Report and Financial Statements

31 December 2023

Registered Company No. 2252337
Registered Charity No. 802047
Scottish Registered Charity No. SC040717



**Ronald McDonald
House Charities™**
United Kingdom

Contents

Trustees' Report

Chairman's Report	4
Strategic Report	6
- Our Impact	6
- Our Partnerships	14
- Thank You	18
- Principal Risks and Uncertainties	19
- Financial Review	20
Objectives & Activities	22
Structure, Governance and Management	23
Reference & Administrative Details	24
Statement of Trustees' Responsibilities	25
Independent Auditor's Report	26

Financial Statements

Statement of Financial Activities	31
Balance Sheet	32
Statement of Cash Flows	33
Notes to the Financial Statements	34

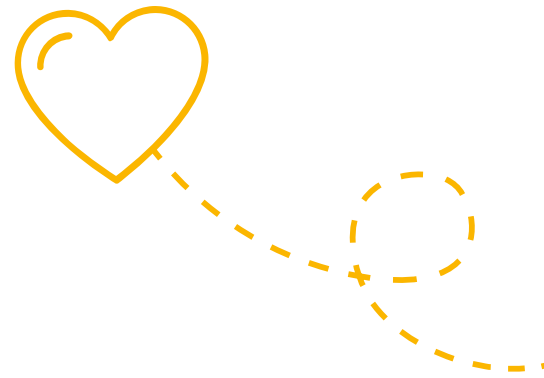


Trustees' Report

Ronald McDonald House Charities (UK) is an independent charity registered in England and Wales (802047) and in Scotland (SC040717), and is a company limited by guarantee (2252337), registered in England.

The Trustees of Ronald McDonald House Charities (UK) (who are also the Directors for the purposes of Companies Act 2006) are pleased to present this, their report and accounts for the period ended 31 December 2023, which incorporates the Strategic Report and the Director's Report required under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013.

Chairman's Report



Dear Supporters,

I am delighted to showcase the huge amount that has happened over the past year at Ronald McDonald House Charities (UK). The Board of Trustees is incredibly proud of everything we have achieved in partnership with NHS hospitals and our supporters across the country.

In 2023 we helped more families than ever before, following the successful mergers with our Alder Hey and Bristol Houses in 2022. We thank supporters for being at the heart of everything we do and for making it possible to provide free 'home away from home' accommodation and support to more than 8,400 families with a child in hospital – an increase of 26% on the previous year.

A large focus for our spending in 2023 was to significantly invest in our estate as part of our overarching reinvestment and long-term maintenance plans, ensuring that our Houses are equipped to deliver high-quality services and best meet the needs of the families we look after. Notable projects included opening a newly knocked-through and refurbished Day Room in our House based next to Royal Manchester Children's Hospital. This created a beautiful space, including a fully fitted kitchen and carefully designed zones for different family groups and interests. This renovation supported the growth of our Day Pass Programme and led to an increase of 13% in the number of families accessing our Manchester House for the day to get respite from the hospital ward.

We also concluded a £600,000 refurbishment project of our Camberwell House, serving families at King's College Hospital London, which included redecoration of all 24 bedrooms, along with much-needed long-term maintenance

works. This project was also a great success and families praised us for our 'beautiful renovations and amazing facilities'.

We shared our plans for a multi-million-pound refurbishment of our House at Alder Hey Children's Hospital in Liverpool. This major improvement project is designed to ensure the 30-year-old building, which requires major modernisation, can continue to meet the needs of families for many years to come.

At the start of the year, we conducted research to better understand how the families we look after had been affected by increased pressure on the cost of living. We knew they were struggling and wanted to raise awareness of this issue. Our research report painted a bleak picture.



parents and carers reported their finances were negatively impacted by having a child in hospital.

Seven in ten parents and carers reported their finances were negatively impacted by having a child in hospital. More than two in three said the cost-of-living crisis was causing their mental health to suffer, and almost a quarter of parents told us they had skipped meals to help make ends meet.

continued...



Chairman's Report (continued)

Our results generated significant coverage that is featured nationally on the BBC's Morning Live programme and across a range of local and regional media outlets. We were also able to share this research and collaborate with a wide network of other children's health charities.

Working with partners in 2023, we were able to do more to respond to the increasing needs of the families we look after. We are proud of the support we have been able to provide following the rollout across all our Houses of our 'Grab & Go' programme, providing free snacks and drinks for families, ensuring they can access healthy and convenient food whilst they are with their children on hospital wards. Similarly, the myHappyMind programme has been introduced, providing much-needed support for families' mental health and wellbeing. We would not have been able to achieve so much without our wonderful supporters.

In 2023 we raised over £16m.
This is a record amount for our Charity and an increase of 14% from 2022.

Our mission partner McDonald's, their Franchisees, employees, customers, and suppliers continued to demonstrate their unwavering support to raise awareness of our cause and vital funds. In 2023 the McDonald's family donated over £10.3m to the Charity. A joint campaign with Coca-Cola saw key facts about Ronald McDonald House Charities (UK) on over 30 million cold drink cups used in McDonald's restaurants across the UK. We also saw success across our events programme, and a return to pre-Covid-19 levels of financial success, raising over £2m.

We've been hugely grateful for our partners and supporters' donations, gifts in kind and pro-bono assistance despite the pressures of the cost of living and rising business costs. Our community of supporters is truly inspiring and covers an incredible cross-section of businesses and communities around the UK. Businesses like Sealy UK & Ireland have provided bespoke beds to enable families to rest and sleep. Bloomberg has provided 4,400 'Grab & Go' snack packs for families, and global supporters like Martin Brower have expanded their fundraising and gift-in-kind donations.

2023 was a year of growth for our Charity. Growth in the number of families we looked after, the type of support we were able to offer, and of course, growth in income to allow us to achieve all of this. On behalf of the Charity, I would like to thank every supporter who made this possible. I look forward to continuing this work in 2024, supporting thousands of families through the hardest of times.

DocuSigned by:

Jeff Fergus
Chair
Ronald McDonald House Charities (UK)
31 July 2024

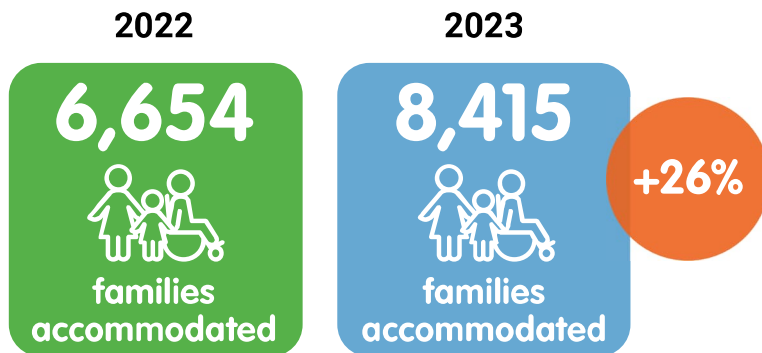


Strategic Report



Ronald McDonald House Charities (UK) provides free accommodation and support for families who have a child in hospital. This is desperately needed, and for many families is the only way to avoid lengthy commutes, unmanageable hotel bills, sleeping on chairs or even in cars. Our Houses also provide a community of support, where families are surrounded by others going through a similar situation and staff who understand how stressful it can be to have a child in hospital. Our Houses are a 'home away from home' where family members can live, relax, and eat together. All of this helps families cope practically and emotionally with having a child in hospital.

Our Impact



In 2023, we accommodated more families than ever before in our 14 Houses across the UK. 8,415 families stayed with us, up from 6,654 in 2022, an increase of 26%. This is primarily as a result of our expansion in 2022 but is also because in 2023 our occupancy rates rose again to 83%, from 80% in 2022. This is a measure of the percentage of time that all our rooms were occupied by families.

These increases are a testament to our Housekeepers, who were able to turn rooms around quickly and minimise the time it takes to get a new family settled in when others check out; and the Estates team who work hard to respond to any minor maintenance issues and keep all our rooms open.

[View
our 2023
stats](#)



Did you know?

Following feedback from our House teams who were reporting a perceived increase in shorter-stay families, we started a piece of work looking into the details of the average length of stays. Our research shows that 48% of stays were for more than eight nights and 28% of stays were for three nights or less. This project will continue in 2024 to help us understand how best to meet the needs of our different family groups, for example through the facilities and activities we offer.





**99% of
families
agreed**

“The services and support I received at the Ronald McDonald House helped me cope during my child’s hospital stay,”

Our Impact

Financial challenges facing our families

In January we undertook an eight-week cost-of-living survey of families who had stayed in a Ronald McDonald House within the previous six months. The survey found that 7 in 10 people, who'd stayed in a House, reported their finances were negatively impacted by having a child in hospital. More than two in three people shared that the cost-of-living crisis is causing their mental health to suffer.

Ella Joseph, Chief Executive of Ronald McDonald House Charities (UK), said:

"We know that life costs more if your child is being treated in hospital, particularly when that treatment isn't close to home. This financial challenge is compounded by significant increases in the cost of living".

Life costs more for families with a sick child in hospital

28%
said they'd gone cold to avoid using heating at home

More than
40%
have asked families or friends to borrow money

58%
have cut back on non-essential spending

Jodie Cameron, Somerset, whose baby Ewan needed heart surgery says: "My partner is a farmer and couldn't always get time off, so he had to travel back and forth to the hospital, which is a 172-mile round-trip. My maternity leave ended in December, but I couldn't go back to work because Ewan was still in hospital.

"Tom's wage just about covers the bills, but it's been a struggle to keep up with mortgage repayments and we've worried about the possibility of losing our house. Without Ronald McDonald House Bristol, I don't know how we would've coped."

91%



of survey respondents to the survey agreed that staying in a Ronald McDonald House helped to ease the financial burden of having a child in hospital.

Grab & Go

To ease the financial burden of buying food in hospital, Grab & Go stations were set up across all our Houses to provide free packaged food for families to take to the hospital with them. All 8,415 accommodated families, and 7,840 visitors using a Day or Medical Pass, were able to benefit from fresh fruit, snacks and hot drinks.

Our corporate partners provided over 6,500 snack packs to support our Grab & Go stations. Special recognition must be given to Bloomberg who provided 4,400 snack packs with contents totalling £21,900, and Cisco who provided 2,170 packs. These have been hugely appreciated by families across our Houses and have even been used to celebrate birthdays, such as a young girl who has been in our House for all three of her birthdays and was delighted to be given “sweets” on her 3rd birthday, which were actually healthy fruit-based snacks.

Family Wellbeing

Last year we worked with more than 80 different organisations to deliver more than 120 different activities to support our families. These included free food, access to bereavement support, counselling sessions, wellbeing events and celebrations such as pantomime experiences and pampering sessions.

We were also able to announce our partnership with global fitness and wellbeing community app, TRUCONNECT. The brand has given free, lifelong access to the app to families staying at all 14 of our Houses, extending to all Ronald McDonald House Charities (UK) employees. This access includes more than 1,000 mental and physical health programmes, such as NHS-approved wellbeing courses, and over 400 nutritious recipes.

Across the year, we have promoted family and staff wellbeing and celebrated events and milestones that allow us to profile our commitment to equality, diversity and inclusion, such as International Women’s Day, National Inclusion Week and Disability Pride.

**We’re pleased
to be recognised as a
Disability Confident Employer.**



MyHappymind

Being away from home in an unfamiliar place can be difficult for both parents, children, and wider family members staying in our Ronald McDonald Houses. There are many pressures families face when they have a child in hospital, that's why, in January, we were proud to launch a partnership with myHappymind – an NHS-backed, award-winning programme which uses scientifically-proven strategies to help develop resilience and self-esteem. The team at myHappymind created a bespoke programme just for families in our Houses, to support them in developing coping strategies.

Key milestones and achievements:

- More than 200 family sign-ups for the programme and more than 700 page visits.
- 28 new activities were created and added to the online programme with ideas coming from our staff, specifically catering to the needs of our families.

Throughout the year, our Houses have used myHappymind to engage with our families and share educational resources. We celebrated Children's Mental Health Day, putting together activities using the conversation cards developed by myHappymind to help families have conversations about their mental wellbeing. We also used the resource from myHappymind to celebrate International Day of Friendship to create an interactive session on gratitude and friendship.

"One morning in the Bristol House, a mum and her five-year-old son came to sign out. I asked who they were going to see in the hospital, mum replied 'Matilda she is only three years old.' I gave the little boy a myHappymind toy for him and one for his sister. I also gave him a myHappymind storybook for his mum to read to them both. Some hours later a very tearful Mum came back from the ward, and she told me, 'You don't know what you have done,' and 'we will never forget you.' As she fought back her tears, she explained in the morning her son had not wanted to go to the hospital, however as I had given him the myHappymind book and toys, he had willingly gone to visit his sister. Mum explained it was his last chance to see her. Matilda passed away the next day."

Rachel Tween, House Manager, Tooting

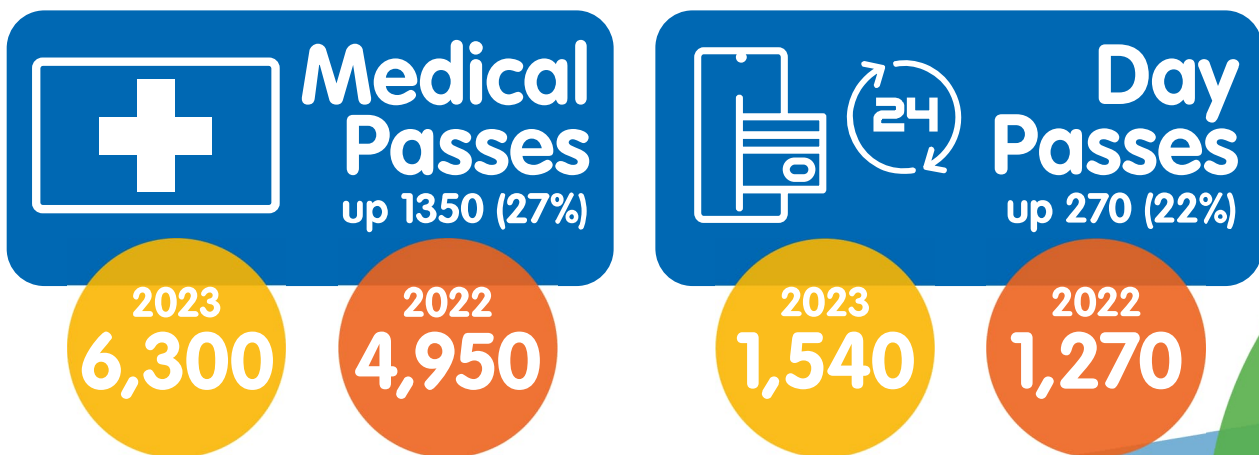
Our Impact

Day Pass and Medical Pass Programmes

We work hard to ensure that our Houses can be used by as many families as possible, including those who we may not be able to accommodate as our Houses are often full. To do this, we open our doors for families to use our communal facilities during the day. These include our day rooms to relax, kitchens to prepare meals and eat in and access to shower or laundry facilities to freshen up. Families using our Houses in this way are on our 'Day Pass' programme.

We also want as many children as possible to have respite from being inpatients on the ward and visit our Houses through our 'Medical Pass' programme.

Throughout 2023 our ambition was to increase take up of these programmes. With increasing interactions with our hospital partners and raising awareness of both Medical and Day Pass programmes through Patient Experience Groups, awareness stands, involvement in NHS staff inductions, invitations to ward staff to visit the Houses, and family drop-in sessions, we have seen an increase of 27% in our Medical Passes and 22% in our Day Passes compared to the previous year.



In our Ronald McDonald House next to Royal Manchester Children's Hospital, we saw a 13% increase from 2022 to 2023, in the number of families using our 'Day Pass' programme. Which continues to rise significantly in 2024. This increase in usage was following the complete refurbishment of the day room. The new space includes ovens, a spacious fridge freezer and a larder of free provisions for families. This has allowed families who are not staying overnight to prepare and cook healthy meals to enjoy together. One of the current families said: "It's such a lovely room. You come in and just forget about everything that is happening over at the hospital for a moment and simply relax."

Our Impact

Investing in our Houses

Our Estates and Facilities team has worked tirelessly throughout the year to ensure that our accommodation is maintained to a high standard. £1.6m was spent on general upkeep, including minor repairs and decorating, and maintaining equipment in line with statutory requirements. In addition to the remodelling of the Manchester Day Room, a major project we completed this year was a £600,000 refurbishment of our 24-bed Camberwell House, consisting of a complete redecoration and replacement of equipment in line with equipment and maintenance life cycles.



“During our stay, we felt the room provided was invaluable to us as a family. Keeping us supplied and safe! The chance to remain close to the hospital was very reassuring and the staff were so kind, cheerful and nothing was too much bother. The House is immaculately clean, every piece of equipment thought of. The playroom and the dining room are fantastic. This all helped reduce the stress, as well as being able to have our other little grandson stay with us as a family reduced the worry and anxiety for us all. Thank you so much.”

Sustainability

In total, Ronald McDonald House Charities (UK) saved families from travelling 10.7 million miles to and from hospital in 2023.

In partnership with Veolia, an efficient new sustainable waste management system was launched across our Houses. We achieved a recycling rate of 17%, which was an uplift of 52% from 2022. The new system has standardised methodology across all Houses and increased recycling engagement and confidence.

Our Impact

Volunteering

Corporate volunteers help us improve the experience we provide our families. Volunteering opportunities also give local organisations meaningful corporate activities for staff and stakeholders. We were delighted to see a 29% increase in the number of volunteers from 2,700 in 2022 to 3,470 in 2023. This meant 58% more hours of volunteering from 9,590 to 15,200.

58%



**increase in corporate
volunteering hours
in 2023.**

However, over this year we also saw the number of regular individual volunteers decrease by 23% from 1,050 to 810, and the hours donated by these volunteers went down 30% from 3,540 to 2,490. During 2024 we will undertake a project to explore what is needed to implement an effective volunteering programme across the Charity.



Our Partnerships

It is thanks to our many partners that we can provide a high level of service and care for our families.

Gifts in kind and pro bono support

In 2023 we had several partners who provided gifted items or services with the aim to improve the experience of families accessing our services. Some examples include brand new beds from Sealy UK & Ireland, access to a wellbeing and fitness app via TRUCONNECT; access to emergency financial and support services from Hugh James; as well as snack packs and food items to support our 'Grab and Go' stations.

For World Sleep Day on 17 March 2023, we celebrated our exciting partnership with Sealy UK, who donated beds, custom designed for our Ronald McDonald Houses. The bespoke single beds have pull-out trundles, so a family of four can sleep comfortably, just a stone's throw away from their child in hospital.

Through our partnership with law firm, Hugh James, we were hugely grateful to be able to extend financial and practical support to our families via their Emergency Fund and Major Trauma Service. Access to this service enabled both immediate support and longer-term assistance to families, providing a lifeline at a time of huge emotional and financial strain.

We are grateful to Veolia for their support with waste and recycling. Longstanding supporters Essity increased the amount of toilet rolls and blue rolls they provide us, and we have worked with many other partners supporting in this way or through gift in kind donations directly for the benefit of families. We are appreciative of our supporters who offer discounts on products and services including Big Bathroom Shop and Tarkett Group.

We hope that gifts in kind will continue to grow in 2024, particularly for those businesses who are struggling to support our Charity with financial donations.

120



**120 beds were
donated in 2023 by
Sealy UK & Ireland**



The McDonald's Family

We must recognise the unwavering generosity of McDonald's, its Franchisees, employees and suppliers, as well as customers who donate in restaurants. We were hugely grateful and extremely proud to have received over £10.3m from the McDonald's family in 2023, an increase of 9% from 2022. Key drivers for this success were:

- As well as facilitating donations from customers through collection boxes, Kiosks and the McDonald's App, McDonald's also provides the facility for customers to donate their App reward points to charity. Digital donations to the Charity (via Kiosks and the App) exceeded £4m in 2023.
- In May, we were thrilled to be part of a national awareness and fundraising campaign at McDonald's. Featuring digital takeovers focused on building awareness in restaurants, the campaign also saw McDonald's staff raise much-needed funds through face painting in restaurant dining areas across the UK. Over the summer, we were proud to come together with McDonald's and Coca-Cola GB to raise awareness for the Charity through a national cold cup takeover – the first of its kind in the UK. Our logo, and key facts about the Charity were displayed on over 30 million cold drinks cups, helping to increase awareness for the Charity

As well as providing customers more opportunities to engage with the Charity and more choice in how they donate to us, we also remain grateful to the McDonald's family - the company, Franchisees, Restaurant Teams and Suppliers - for the direct support they generously provide. In 2023 this included significant donations to the Charity, sponsoring and attending our events, organising and participating in a huge number of fundraising activities and challenge events, volunteering at our Houses, and so much more. In addition, all Franchisee and company restaurants in Wales, and some in Scotland, continue to donate proceeds from the bag tax levy - a very generous gift which is hugely appreciated.

We remain proud and grateful to be McDonald's' Charity of Choice, their "forever partner". The support we receive from across the McDonald's family makes a huge difference to the Charity. Thank you for all your support in 2023. We look forward to continued success from our partnership in 2024 and beyond.

The support we receive from across the McDonald's family makes a huge difference to the Charity

Corporate Partnerships

Alongside McDonald's our support from other companies in 2023 grew by 32%. Some notable contributors to this growth were partnerships that grew from 2022, such as more than £31,000 raised by Bank of Montreal and £25,000 donated by Norton Rose Fulbright. We were grateful to receive significant support from new partners including more than £104,000 donated by Attwater Jameson Hill, as well as sizeable donations from The Original Fit Factory. In total we have secured 18 new corporate partners in 2023, many of whom made us their 'charity of the year', including the Birmingham office of Eversheds Sutherlands.

Through strong stewardship and engagement, we have benefitted from repeat gifts from E3P who raised more than £20,000 with £10,000 of match funding, as well as RMHC Global supporters such as Alexion Charitable Foundation and Vertex who have supported our work in the UK and across global Chapters. Alongside their support with the Grab & Go programme, Bloomberg increased their support in 2023 through volunteering within our Houses, as well as from their offices.

Fundraising

2023 was a year of growth for the majority of our income streams. This resulted in the Charity benefiting from an income of more than £16.2 million, a 14% increase on last year.

Events

We are delighted with the achievement that this year, our event income returned to pre-Covid levels, raising more than £2 million across both Challenge and Special Events. This is fantastic for our Charity and our supporters tell us how much they enjoy participating - from great team bonding experiences to excellent corporate networking opportunities.



The Inflatable 5k series was a huge success after a strong online campaign at the beginning of the year, with 561 participants and £74,300 raised in total, up from £26,425 in 2022. The TCS London Marathon was our next biggest event with 22 supporters and £48,500 raised. There were also many regional events close to Houses that yielded some great results such as the Cardiff Half Marathon which raised £10,700 and Edinburgh Marathon Festival that generated donations of £7,600. Collectively this saw a total of 759 participants taking part with strong opportunities for future engagement and further support.

The Ladies Lunch, organised by Trustee and McDonald's Franchisee, Anne Wainwright, was a great success raising £30,000, along with the Summer of Golf seeing 142 teams raise £189,000. Our Leisure Classic event, two regional Gala dinners in Birmingham and Manchester as well as Edinburgh carols together raised over £1 million.

Community

We maintained our support from individuals and groups raising funds from within their communities, with a small 2% increase in last year's income. Our supporters got creative with their fundraising in 2023, and as some of the highlights below reveal, they went above and beyond to raise funds for Ronald McDonald House Charities (UK).

Our annual skydive raised £45,000 with 72 participants taking to the skies across the UK over a weekend in July.



Dad Ryan Gosling, who stayed at our Bristol House when his newborn daughter Indie was being treated for hyperglycaemia, ran 240 miles in four days from his home in Barnstaple, Devon, to Bristol raising more than £10,000 . His story was picked up by the BBC News website, reaching more than 588 million readers.

We were delighted to be selected as 'charity of choice' for Sherborne Car Show, which raised £18,000 at their annual Classic Car Show.

Fundraising (continued)

The Richards family raised more than £10,000 via their Ray of Light Cycle ride along the Scotland Coast2Coast route from Annan, in Dumfries and Galloway, to St Andrews, in NE Fife.

We were grateful to be the recipients of a £11,000 donation following the Avison Young Memorial Football match in Scotland, in memory of Avison Young's late employee, Duncan Wright.

We launched a new Community product, Jumble Jamboree – encouraging our supporters all year round to recycle and sell their second-hand goods for our Charity.

We also held our first annual thanking week in September, which covered all donor groups. It was a brilliant way to connect and personally thank our many supporters. Following positive feedback, we will be looking to grow this initiative in 2024.

In a different type of run, Ramsay and Jackson, agricultural engineers, once again held a Christmas Tractor Run, raising an impressive £8,760. The event saw a record-breaking 240 vehicles enter and they didn't let the poor weather stop them. Tractors and trucks of all sizes entered and were decorated with Christmas lights and decorations.



Trusts and Grants

We continue to be supported by several repeat donors, receiving significant donations in support of our work. Donors include Birmingham Children's Hospital Charity, Guy's and St Thomas' Charity, The Steel Charitable Trust, The Fairy Water Trust, Eric Wright Charitable Trust, and GJW Turner.

Once again, we remain grateful to the support we received from the Steve Burne Charitable Trust who, along with other partners helped to transform the Day Room within the Manchester House, creating an open plan, calming space for families to have some respite away from the ward.

Our Commitment to Supporters

We put our families and supporters at the heart of everything we do to ensure we build sustainable income sources. Ronald McDonald House Charities (UK) is signed up to the Fundraising Regulator's Code of Fundraising Practice. We are committed to legal, open, honest and respectful fundraising and do not cause undue pressure or intrusion on donors. We maintain robust fundraising policies, which promote the adoption and improvement of responsible fundraising practices within the UK. We are pleased that once again, in 2023 we received no complaints which were referred to the Fundraising Regulator.

Thank You

Ronald McDonald House Charities (UK) could not operate without the support of our wonderful and dedicated donors. We would like to thank everyone who supported us in 2023, as well as those who wish to remain anonymous.



Alexion Charitable Foundation

Antony Hornby Charitable Trust

Attwater James Hill

Avison Young

Baron Davenport's Charity

Best Bathroom Shop

Best Heating

Bloomberg

BNY Mellon

Cargill Protein Europe

CBRE

CDW

Celestra

Centrica

CMF Charitable Settlement

Coca Cola Europe

Coca Cola GB

Cornerstone

Dandara

Essity

Ethel and Gwynne Morgan Charitable Trust

Griffith Foods

Guenther Bakeries

Hugh James

Ian Sherry c/o Glenbrook Properties

Kieran Masterson c/o Galamast

Limitless Digital Group

London Stock Exchange

Martin Brower

Matt Jarrett

Mattel

McCain

McCormick

McDonald's UK and Ireland, their Franchisees and employees, and their customers

Medtronic

Mercer Family Foundation

Milly's Smile

Mrs MA Black's Trust

Mudano

Nicholas Jones Charitable Trust

Norton Rose Fulbright

Philip Artemiey & family

Phillips 2012 Charitable Trust

Ramcrete

Ramsay and Jackson

Royal Bank of Canada

Ryan Gosling

Sally Cancer Foundation

Sam and Amber Turner

Sealy

EDA

Sherborne Classic Car Show

Signature Flatbreads

Spielman Charitable Trust

Steinberg Family Charitable Trust

Steve Burne Charitable Trust

Stourgarden

Tarket Flooring

The Original Fit Factory Ltd

The Ray of Light cycle ride team

Tindall Riley

Tony Poole c/o CVSL

Tristan Baddeley & Jean-Marc Spanghero c/o Moy Park

Veolia

Vertex

Principal Risks and Uncertainties

Ronald McDonald House Charities (UK) adopts a risk management strategy which includes a quarterly review and update of the risk register by the Executive Team and the Board.

During the year, we implemented the following:

- Updated the process for risk assessment so that Trustees and management have a better framework to consider the key risks and uncertainties and implement appropriate mitigations.
- Improved reporting on the risk indicators and the mitigation strategies including timescales for implementation.

The following are the principal risks and uncertainties facing the charity and the approach being taken to mitigate these risks:

Income Generation: The recent growth of the Charity and its operational costs have put additional pressure on fundraising. The approach implemented includes:

- Continuous development of our long-term strategy to broaden income streams.
- Regular review and monitoring of the financial and income performance by the Executive Team and Board.
- Recruitment of a new Director of Fundraising and Marketing & Communications to enhance the diversification of our income.
- Work with key funding partners (including McDonald's) on exploring new opportunities to grow our charitable income.

Condition of Estates and Building services: In order to provide high quality service delivery to families, the Charity must invest in its estate. The approach implemented includes:

- Planned Preventative Maintenance programmes for our Houses.
- Ongoing maintenance and repair of our estates to limit damage.
- Strategic Asset Plans being developed for all our Houses to map out estates needs over a longer timeframe.

Health & Safety and safeguarding: As a provider of services to families, the safety and security of families as well as staff is paramount. The approach implemented includes:

- Service Delivery Team are provided with key training to deal with incidents.
- Houses are staffed during the day and have security outside work hours. Incident management team on call at all times.
- Regular monitoring and consultation with industry experts on health and safety matters and assessments.
- Regular review and monitoring of our policies and practices including the safeguards and preventative measures in place.
- Families are inducted and provided with information on expectations during their time with the Charity.

As part of the regular review of risks, the Charity actively monitors and mitigates risks that could impact on income and impact. For example, in relation to brand (where awareness and trust in the brand is key to donor engagement); use of data and technology (where the Charity wants to continue to develop its use of data for impact reporting to all supporters). The Charity reviews and monitors its policies and procedures when dealing with personal information and our GDPR principles ensure we do not risk the trust placed in the Charity, protecting our supporters from possible misuse, whether it be accidental or deliberate.

Financial Review

The financial statements and accompanying notes have been prepared in accordance with the Statement of Recommended Practice – Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, applicable Accounting Standards in the United Kingdom, requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland).

The Charity received income of £16.2m during the year for its ongoing charitable activities (2022: £14.3m), enabling us to maintain our existing commitments to family accommodation across the UK. The main source of income was voluntary (income given freely, not in return for goods and services). The largest source of voluntary income is donations from the public via collection boxes and Kiosk donations located primarily in McDonald's restaurants all over the UK. This income amounted to £5.7m (2022: £5.5m). McDonald's and its franchisees pay all the card transaction fees associated with the kiosk donations, which meant 100% of the donations were received by the Charity. The Charity was once again indebted to McDonald's Restaurants Limited and its franchisees who donated just over £4.1m (2022: £4.0m) towards the work of the Charity, as well as office facilities and other in-kind support.

The operational costs of the Charity were £16.4m (2022: £12.8m), of which £12.1m (2022: £8.1m) related to the costs of delivering our charitable activities within our Houses and represents 74% of our total expenditure. The increase in costs is mainly related to the full year operation of two Houses in Alder Hey and Bristol which joined the Charity in 2022. The costs of fundraising were £4.3m and represents 26% of our total costs. Trustees have reviewed expenditure and are satisfied that it is reasonable and supports the Charity's stated objectives.

Reserves

As at the year end, the Charity held total funds of £71.3m of which £1.7m was held within restricted funds, £65m within designated funds and £4.6m within unrestricted general funds. The restricted funds are mainly made up of donations that are restricted to cover the running costs of our Houses within specific geographic locations.

Designated funds and tangible fixed assets

The Charity has a portfolio of residential properties offered free of charge to families with seriously ill children at hospital, currently with a net book value of £54.5m (2022 £55.7m). The value of these properties has been classified as designated funds as these are fixed assets which cannot easily be converted into general funds for day-to-day use. The assets are being depreciated over 25 to 40 years to reflect the fact that ownership of the Houses will ultimately revert to the respective hospitals, as part of our contractual agreements with them. In 2022, the Charity merged with the Alder Hey Family House Trust. The Trustees have designated £9m for the refurbishment of this House.

Financial Review (continued)

Reserves policy

The Trustees assess the risks facing the Charity on a quarterly basis and consequently review the level of free reserves (general unrestricted funds) required annually in line with Charity Commission guidance. Trustees recognise that reserves held must safeguard the Charity against unexpected loss of income, to enable the Charity to continue meeting the ongoing commitments and obligations for the foreseeable future in relation to its charitable objectives.

As such, the Trustees agreed that holding minimum free reserves to cover four months' operational running costs are prudent in this financial climate. The balance of free reserves as at 31 December 2023 was £4.6m and was in line with the policy.

The Trustees currently maintain £16m of funds within cash deposits to ensure sufficient liquidity to meet the Charity's obligations and ongoing commitments. The remaining £0.8m are held within a mixed investment portfolio containing bonds and equities.

Going Concern

The Charity has prepared cashflow forecasts for the period through to 31 July 2025 which reflect the expected impact of the macro-economic environment on income and expenditure. The assessment of the Charity's ability to continue as a going concern has included performing a reverse stress test on those forecasts.

The reverse stress test assumes the same level of expenses as management's best estimate ("the base case") but income is decreased to the point at which all cash is utilised before the end of the going concern assessment period (positive cash position until July 2025 decreasing to negative cash position in August 2025).

A negative cash position is only achieved if income falls below 25% of the best estimate cash flow forecasts through the going concern period which the Trustees consider to be an implausible scenario.

Having reviewed this information the Trustees have a reasonable expectation that the Charity has adequate resources and cash reserves to continue in operational existence for the going concern period to 31 July 2025.

After making reasonable enquiries and having considered the matters described above, the Trustees believe that the Charity will be able to continue to fulfil its charitable purpose, will be able to meet its liabilities as they fall due and will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

Objectives and Activities

Ronald McDonald House Charities (UK) was established in 1989 to provide accommodation and other assistance for children being treated in hospital and their families; also, to raise funds for children's charities generally.

Historically this was achieved through the funding and building of Ronald McDonald Houses and Family Rooms in, or close to, hospitals and children's hospices. However, since 2007, the Charity has focused exclusively on the charitable objective of providing and operating Ronald McDonald Houses to support families who have a sick child in hospital.

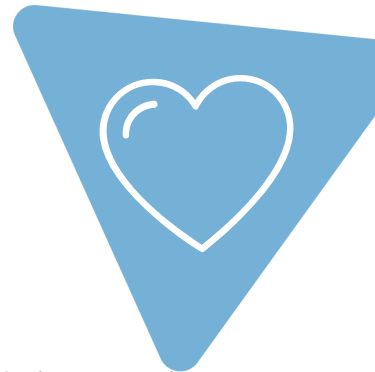


Public Benefit Statement

The Trustees have complied with their duty to have due regard to the Charity Commission's guidance on public benefit under section 17 of the Charities Act 2011.

The Trustees continue to ensure that the activities provided by the Charity meet the overall objectives of the Charity and the provision of services to support families who have a sick child in hospital is carried out for the benefit of the public.

Structure, Governance and Management



The Charity is governed by a memorandum and articles of association, which were last amended materially in 2010 to reflect both the Charity's right to borrow money where appropriate, and the registration of Ronald McDonald House Charities (UK) in Scotland as per OSCR requirements.

Governance and strategic leadership is provided to the Charity by the Board of Trustees, headed by an elected Chair. Potential Trustees are chosen for their skills and experience and, following interview and due process, are elected to the Board of Trustees by formal vote. They serve for an initial period of three years after which they may offer themselves for re-election.

Trustees are inducted through an orientation programme involving visits to the Houses, training around the Charity's objectives and strategic goals, and communication of their legal responsibilities to the Charity.

The full Board of Trustees meets quarterly. In addition, Trustees can serve on subcommittees according to their area of expertise and experience. These groups report to the full Board for ratification and approval of any suggested activities. The Trustees and senior staff also meet to discuss specific issues as needed. Expenditure must be approved by the Trustees through set budgets, and this and other financial matters are monitored by the Finance and Governance subcommittee.

The liability of Trustees is limited. Every member of the company undertakes to contribute a maximum amount of £1 to the company's assets if it should be wound up while they are a member or within one year after they cease to be a member.

Responsibility for the day-to-day management of Ronald McDonald House Charities (UK) is delegated to the Chief Executive and her Executive Team consisting of the Director of Income Generation, Director of People and UK Operations, Director of Finance and

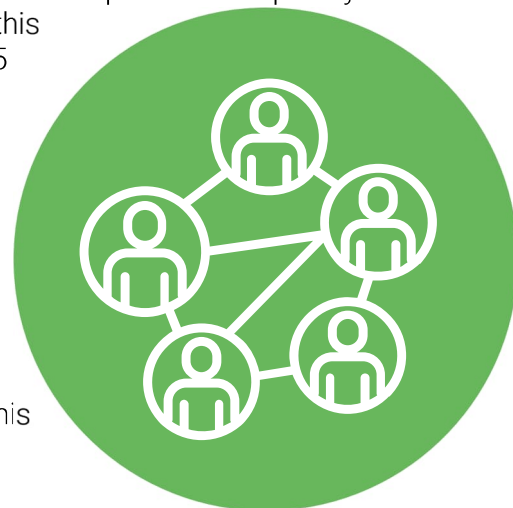
Technology, and the Head of Marketing and Communications. Along with the Executive Team, we have an incredible team of staff across Operations, Development, Fundraising, Marketing and Communications, and Support Services, split between our offices in London, Sutton Coldfield and within our Ronald McDonald Houses.

We also have a passionate and dedicated team of staff working within each of our 14 Ronald McDonald Houses who carry out the Charity's objectives of providing accommodation to families with seriously ill children in hospital.

The Trustees, the Company Secretary, Chief Executive and the Executive Team are considered to comprise the key management personnel in charge of directing and controlling, running, and operating the Charity on a day-to-day basis.

All Trustees give their time freely. The pay of staff is reviewed annually and linked to individual performance throughout the period. Staff pay is benchmarked against pay levels in other charities of a similar size whilst using pay grade ranges for all roles. A remuneration committee provides support and reports into the board.

Ronald McDonald House Charities (UK) is a licensed chapter of a global network of charities. It works towards similar charitable aims and objectives but operates completely independently of this network. Of the 15 Ronald McDonald Houses operating in the UK at the end of 2022, one in Glasgow, continues to be established as an independent charity and does not form part of this Annual Report.



Reference & Administrative Details



Trustees (Directors)

J Fergus (Chairman)
K Boyce (resigned 27 July 2023)
S Edwards
Dr S Fradd (resigned 9 May 2024)
S Hunsdale
S Kirk
M Morgan
R Mounsey
A Moys
Dr A Ohrling
G Pearson
D Ralph (appointed 11 July 2024)
H Trickey
A Wainwright
A Ward (appointed 27 July 2023)

Key management personnel

Chief Executive
Company Secretary
Company Secretary
Company Secretary
Director of Strategic Partnerships
Director of Income Generation
Director of People and UK Operations
Director of Finance and Technology
Director of Finance and Technology
Director of Estates

E Joseph
I Dart (until 13 September 2023)
S Winfield (13 September 2023 to 5 March 2024)
S Joy (from 5 March 2024)
A Ward (retired 28 April 2023)
T Morton
S Winfield
I Dart (until 13 September 2023)
S Joy (from 12 February 2024)
R Farish (until 13 November 2023)

Registered Office

11-59 High Road
East Finchley
London N2 8AW

United Kingdom
03000 111 113
www.rmhc.org.uk

Auditor

Ernst & Young LLP
1 More London Place
London SE1 2AF

Statement of Trustees' Responsibilities

The Charity's financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 company and of the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

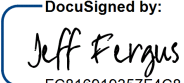
Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all steps that he or she ought to have taken as a director in order to make himself of herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

In accordance with S485 of the Companies Act 2006, the auditor, Ernst & Young LLP. is deemed to be reappointed.

The Report of the Trustees, which incorporates the requirements of the Directors' Report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Strategic Report were approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf on 31 July 2024 by:

DocuSigned by:

FC816919357F4C8...
Jeff Fergus
Chairman

Independent Auditor's Report

Independent auditor's report to the members of Ronald McDonald House Charities (UK)

Opinion

We have audited the financial statements of Ronald McDonald House Charities UK for the year ended 31 December 2023 which comprise the Statement of financial activities, Statement of total recognised gains and losses, Balance sheet, Statement of cash flows and related notes 1 to 22 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 below. 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 the period to 31 July 2025.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern.

Independent Auditor's Report

Independent auditor's report to the members of Ronald McDonald House Charities (UK) (continued)

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 in the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 Trustees' report, which includes the directors' report and the strategic report prepared for the purpose 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 light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the strategic report included within the Trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 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.

Independent Auditor's Report

Independent auditor's report to the members of Ronald McDonald House Charities (UK) (continued)

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities set out on page 25, 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 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 management either intends to liquidate the charitable company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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.

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

Explanation as to what extent the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Independent Auditor's Report

Independent auditor's report to the members of Ronald McDonald House Charities (UK) (continued)

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Charities and Trustee Investment (Scotland) Act, regulation 8 of the Charities Accounts (Scotland) Regulations 2008, relevant Employee and Health & Safety legislation, Modern Slavery Act, Bribery Act, Proceeds of Crime Act 2002, Money Laundering Regulations and General Data Protection Regulation ("GDPR").
- We understood how the charity is complying with this framework by making enquiries of management to understand how the company maintains and communicates its policies and procedures in such areas.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: inquiries of management (and where applicable those charged with governance); review of Board minutes; and obtaining written representations.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue recognition to be a fraud risk. We performed the following procedures to support our understanding: meeting with management to understand their assessment of fraud risks, including balances with a susceptibility to fraud; determining which account balances include judgements and estimates and therefore have a higher inherent risk of being fraudulently misstated; understanding the company's key performance indicators and considering the processes and controls which the company has established to prevent and detect fraud, and how those controls are monitored.
- Where the risk was considered higher, we performed audit procedures to address each identified fraud risk or other risk of material misstatement. We tested journals identified by specific risk criteria back to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.

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, and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



FF88D30C2359461...

Rebecca Turner (Senior statutory auditor)

for and on behalf of Ernst & Young LLP

Statutory Auditor

1 More London Place

London SE1 2AF

Date: 31 July 2024

Financial Statements



Statement of Financial Activities

(incorporating the income and expenditure account)

for the year ended 31 December 2023

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Income from:					
Donations and legacies	2	12,640	852	13,492	12,469
Other trading activities	3	2,223	-	2,223	1,626
Investments and bank balances	4	507	-	507	156
Total income		15,370	852	16,222	14,251
Expenditure on:					
Raising funds	5	(4,292)	-	(4,292)	(4,606)
Charitable activities	6	(10,535)	(1,545)	(12,080)	(8,188)
Total Expenditure		(14,827)	(1,545)	(16,372)	(12,795)
Net gains on investments	20	12	-	12	-
Net (expenditure) / income		555	(693)	(138)	1,457
Transfer between funds	19	240	(240)	-	-
Other recognised gains					
Other income	8	-	-	-	3,968
Net movement in funds	19	795	(933)	(138)	5,425
Reconciliation of funds:					
Total funds brought forward		68,848	2,616	71,464	66,039
Total funds carried forward	19	69,643	1,683	71,326	71,464

Notes 1 to 22 form an integral part of these financial statements

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

All income and expenditure derive from continuing activities.

Balance Sheet

As at 31 December 2023

Registered Company No: 2252337

	Note	2023 £'000	2022 £'000
Fixed Assets			
Intangible assets	15	679	506
Tangible assets	16	54,512	55,741
Investments	20	755	743
Total Fixed Assets		<u>55,946</u>	<u>56,990</u>
Current Assets			
Debtors	17	1,487	1,533
Cash at bank and in hand		15,957	14,634
Total Current Assets		<u>17,444</u>	<u>16,167</u>
Liabilities			
Creditors: Amounts falling due within one year	18	(2,064)	(1,693)
Total Net Assets		<u><u>71,326</u></u>	<u><u>71,464</u></u>
The funds of the charity:			
Restricted funds	19	1,683	2,616
Unrestricted funds	19		
Designated Funds		65,056	65,990
General Funds		4,587	2,858
Total Funds		<u><u>71,326</u></u>	<u><u>71,464</u></u>

The Financial statements were approved by the Trustees and authorised for issue on 31 July 2024, and were signed on its behalf by.

DocuSigned by:

Jeff Fergus

FC816919357F4C8...

Jeff Fergus

Chairman

Statement of Cash Flows

for the year ended 31 December 2023

		2023	2022
	Note	£'000	£'000
Cash flows from operating activities:			
Net cash provided by operating activities	21	2,611	4,277
Cash flows from investing activities:			
Investment income		507	156
Cash inflow from business combinations		-	168
Purchase of property, plant and equipment		(1,359)	(1,072)
Purchase of software		(436)	(318)
Net cash used in by investing activities		(1,288)	(1,066)
Change in cash and cash equivalents in the reporting period		1,323	3,211
Cash and cash equivalents at the beginning of the reporting period		14,634	11,423
Cash and cash equivalents at the end of the reporting period	22	15,957	14,634



Notes to the Financial Statements

for the year ended 31 December 2023



1. Accounting policies

1.1 Basis of preparation

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (‘FRS 102’) and the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity’s activities. The Charity is a public benefit entity.

1.2 Preparation of the accounts on a going concern basis

The Charity is in a net current asset position at the balance sheet date. Given the Charity’s continued strong performance, the Trustees consider it reasonable that the company will continue in operational existence until at least the end of the going concern assessment period on 31 July 2025. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Income

Income is received by way of donations, special grants and interest on deposits. Income resources are included in the statement of financial activities when the Charity is entitled to the income and it can be quantified with reasonable certainty.

1.4 Taxation

As a charity, the company is exempt from tax on income and gains. As such, no tax charges have arisen.

1.5 Cash Donations

Cash donations are included in the income and expenditure account when received.

1.6 Donated services and facilities

Donated professional services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the user by the charity of the item is probable and that the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time received within the Ronald McDonald Houses is not recognised. More information about their contribution is referred to in the Trustees Annual Report.

Notes to the Financial Statements

for the year ended 31 December 2023

1. Accounting policies (continued)

1.7 Tangible fixed assets

Leasehold improvements and fixtures and fittings are stated at cost less depreciation. The assets relate to Ronald McDonald Houses that are managed and run by the Charity. Depreciation is provided on all fixed assets. The depreciation rates used are calculated to write off the cost of each asset by equal annual instalments over its expected useful life as follows:

Leasehold improvement	- the lower of unexpired portion of the lease or 40 years
Fixtures and fittings	- ten years
Office equipment	- three years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.8 Intangible fixed assets

Intangible fixed assets are held on the balance sheet at cost less accumulated amortisation and impairment losses.

Computer software, including development costs, is capitalised as an intangible asset and amortised on a straight-line basis over the expected useful life of three years. The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.9 Fixed instruments

The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value which is their market closing price on the current or previous trading day and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.



Notes to the Financial Statements

for the year ended 31 December 2023

1. Accounting policies (continued)

1.9 Fixed instruments (continued)

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions. Investments in equity instruments are classified as fixed asset investments when they are held with the overall intention of retaining the investments long term for the continuing benefit of the Charity in the form of income and capital gains.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Governance costs

Included within governance costs are salaries payable to administration staff, general office expenses, auditors' remuneration and bank and legal charges.

1.11 Resources expended

Where costs cannot be directly attributed to Raising Funds and Charitable activities; the two categories of expenditure presented on the face of the Statement of Financial Activities, they have been allocated by proportion to activities based on the staff time spent carrying out the function. Fundraising costs are those incurred in seeking voluntary donations; support costs are those costs incurred directly in support of the Charity's aims and include project management of new and existing projects; management and administration costs are those incurred in connection with administration of the Charity and compliance with legal and statutory requirements.

In 2022, general support and governance costs ("support costs") relating to salaries, administration, and bank fees, of £1,990k were included within Expenditure on Raising funds of £4,606k as presented on the face of the Statement of Financial Activities. In 2023, of the total support costs of £3,448k, £1,476k has been allocated to Expenditure on Raising funds and £1,972k is allocated to Expenditure on Charitable activities of as shown in the Statement of Financial Activities. This reallocation of expenses between the two categories of expenditure has been made in order to provide a better presentation of the nature of the expense. This reallocation is a disclosure item only and does not impact total expenditure as reported in either the current year or the prior period ended 31 December 2022. This reclassification is made for the current year with no adjustment to the amounts presented in the Statement of Financial Activities and in notes 5, 6 and 7 in the prior period.

Notes to the Financial Statements

for the year ended 31 December 2023



1. Accounting policies (continued)

1.12 Business combinations

Business combinations are accounted for using the purchase method in accordance with Section 19 Business Combinations and Goodwill and Section 34 Specialised Activities. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value.

The Charity determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs.

The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Charity acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Business combinations at nil or nominal considerations which are in substance a gift are accounted in accordance with Section 19 Business Combinations and Goodwill except that:

- any excess of the fair value of the assets received over the fair value of the liabilities assumed is recognised as a gain in income and expenditure. This gain represents the gift of the value of one entity to another and recognised as income.
- any excess of the fair value of the liabilities assumed over the fair value of the assets received is recognised as a loss in income and expenditure. This loss represents the net obligations assumed, for which the receiving entity has not received a financial reward and recognised as an expense.

1.13 Funds

Unrestricted funds are funds given freely to the organisation that can be applied at the discretion of the trustees in accordance with the Society's charitable objects.

Designated funds include funds set aside to cover the net book value of fixed assets and any monies the Charity Trustees have set aside against board approved projects that are on site or subject to contract.

Restricted funds are funds received for undertaking an activity specified by the donor when making the gift or may result from the terms of an appeal for funds.

Notes to the Financial Statements

for the year ended 31 December 2023



1. Accounting policies (continued)

1.14 Going Concern

The Charity has prepared cashflow forecasts for the period through to 31 July 2025 which reflect the expected impact of the macro-economic environment on income and expenditure. The assessment of the Charity's ability to continue as a going concern has included performing a reverse stress test on those forecasts.

Having reviewed this information the Trustees have a reasonable expectation that the Charity has adequate resources and cash reserves to continue in operational existence throughout the going concern period to 31 July 2025. The Trustees believe that the Charity will be able to continue to fulfil its charitable purpose, will be able to meet its liabilities as they fall due and will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

1.15 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts 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 those estimates and the estimates, along with their underlying assumptions, are continually reviewed.

The following critical judgements have been made in the process of applying the Charity's accounting policies and that has the most significant effect on the amounts recognised in the financial statements:

- *Intangible assets:* The Charity establishes an estimate of the useful life of intangible assets based on the expected useful life of the asset and the use by the charity. The amortisation charge may increase if the useful life is less than the previously estimated useful life.
- *Expenditure allocations:* Expenditure is apportioned where it relates to more than one cost category as detailed within the accounting policy for 'Resources expended' (Note 1.11).

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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Financial Statements

for the year ended 31 December 2023



2. Income from donations and legacies

	2023 £'000	2022 £'000
Donations		
McDonald's Restaurants contributions	2,414	2,235
McDonald's collection boxes	1,584	1,758
McDonald's Cashless donations	4,110	3,709
McDonald's campaign	130	427
McDonald's restaurant fundraising	862	598
Welsh carrier bag income	430	435
Scottish carrier bag income	291	318
General donations	1,012	608
Gift Aid	130	98
Operational income	104	101
Grant income	371	520
Corporate income	963	766
Community income	913	896
Gifts in Kind	178	-
Total income from donations	13,492	12,469

The income from donations was £13,492k (2022: £12,469k) of which £12,640k was unrestricted (2022: £11,196k) and £852k restricted (2022: £1,273k).

Within the Total income from donations is £178k of income from donated goods and services. These have been difficult to quantify in 2022 and have therefore not been recognised in 2022.

The Charity benefits from the involvement and enthusiastic support of its volunteers, details of which are given in the Trustee Report. In accordance with FRS 102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

Notes to the Financial Statements

for the year ended 31 December 2023



3. Income earned from other activities

	2023 £'000	2022 £'000
National gala dinner	496	41
Regional gala dinners	472	544
Regional golf tournaments	128	151
Regional events	248	54
Overseas golf tournament	579	524
Overseas apartment	16	13
Challenge events	228	284
Other	56	15
Total income earned from other activities	2,223	1,626

4. Investment income

	2023 £'000	2022 £'000
Interest receivable	507	156

Interest receivable relates to interest earned on fixed asset investments (£18,000) and interest earned on cash at bank (£489,000).

5. Analysis of Expenditure – Raising Funds

	Directly incurred 2023 £'000	Support costs 2023 £'000	Total 2023 £'000	Directly incurred 2022 £'000	Support costs 2022 £'000	Total 2022 £'000
Donations and legacies	1,672	876	2,548	657	1,503	2,160
Other trading activities	1,144	600	1,744	456	1,990	2,466
	2,816	1,476	4,292	1,113	3,493	4,606

For the basis of the allocation of governance and support costs, please refer to note 1.11 and note 7.

Notes to the Financial Statement

for the year ended 31 December 2023

6. Analysis of Expenditure – Charitable Activities

2023	Activities undertaken directly £'000	Depreciation £'000	Total £'000
Alder Hey	516	139	655
Arrowe Park	165	38	203
Birmingham	468	215	683
Brighton	295	35	330
Bristol	223	1	224
Camberwell	356	109	465
Cardiff	332	170	502
Edinburgh	363	106	469
Evelina London	586	355	941
Manchester	441	221	662
Moorfields	79	3	82
Oxford	426	414	840
Southampton	496	199	695
Tooting	266	18	284
Family Experience	32	-	32
Operations Team	501	-	501
Facilities management of Houses	2,136	404	2,540
	7,681	2,427	10,108
Share of Support Costs (Note 7)	1,524	-	1,524
Share of Governance Costs (Note 7)	448	-	448
	1,972	-	1,972
Total expenditure on charitable activities	9,653	2,427	12,080

For the basis of the allocation of governance and support costs, please refer to note 1.11 and note 7.

Notes to the Financial Statements

for the year ended 31 December 2023



6. Analysis of Expenditure – Charitable Activities (continued)

2022	Activities undertaken directly £'000	Depreciation £'000	Total £'000
Alder Hey	329	100	429
Arrowe Park	138	38	176
Birmingham	405	218	623
Brighton	209	33	242
Bristol	58	0	58
Camberwell	320	86	406
Cardiff	301	179	480
Edinburgh	256	108	364
Evelina London	524	367	891
Manchester	431	212	643
Moorfields	62	2	64
Oxford	365	434	799
Southampton	399	199	598
Tooting	231	19	250
Family Experience	157	-	157
Operations Team	437	4	441
Facilities management of Houses	1,458	109	1,567
Total expenditure on charitable activities	6,080	2,108	8,188

For the basis of the allocation of governance and support costs, please refer to note 1.11 and note 7.

Notes to the Financial Statements

for the year ended 31 December 2023



7. Analysis of governance and support costs

The Trustees initially identify the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned across the charity. Refer to the table below for the basis of apportionment and the analysis of support and governance costs.

2023	General support £'000	Governance function £'000	Total £'000	Basis of apportionment
Salaries, wages, and related costs	1,343	576	1,919	70:30 split
Administration	1,149	5	1,154	Specific Cost
Depreciation	316	-	316	Specific Cost
Bank and legal fees	-	59	59	Governance
Total governance and support costs	2,808	640	3,448	
Allocated between				
Raising Funds (Note 5)	1,284	192	1,476	Time and resources
Charitable activities (Note 6)	1,524	448	1,972	Time and resources
	2,808	640	3,448	

2022	General support £'000	Governance function £'000	Total £'000	Basis of apportionment
Salaries, wages, and related costs	1,082	464	1,546	70:30 split
Administration	-	360	360	Governance
Bank and legal fees	-	84	84	Governance
Total governance and support costs	1,082	908	1,990	

Notes to the Financial Statements

for the year ended 31 December 2023

8. Business combinations

Alder Hey Family House Trust Limited

On 26 April 2022, Alder Hey Family House Trust Limited transferred certain assets and liabilities to the Charity for a consideration of £1. Alder Hey Family House Trust Limited's principal activity was providing free accommodation and assistance for the parents and families of children undergoing treatment at Alder Hey Children's Hospital. Alder Hey Family House Trust Limited was dissolved on 7 February 2023.

The fair values of the identifiable assets and liabilities of the Alder Hey Family House Trust Limited as at the date of acquisition were:

Fair value recognised on acquisition (£'000)

	Unrestricted Funds	Restricted Funds	Total
Assets			
Tangible assets	2,818	-	2,818
Investments	-	773	773
Stock	1	-	1
Debtors	91	-	91
Cash at bank	-	92	92
Liabilities			
Creditors	95	-	95
Net assets	2,815	865	3,680
Gain recognised in income	2,815	865	3,680
Purchase consideration	-	-	-

Tangible assets acquired consists of leasehold improvements and fixtures, fittings and equipment amounting to £2,569,000 and £249,000, respectively. Since the leasehold improvements held for its service potential to beneficiaries, the depreciated replacement cost was used as proxy for the fair value measurement. Acquisition expenses of £117,000 were incurred in respect of this acquisition and expensed to the statement of financial activities.

The expenditure relating to the Alder Hey House for the year had the Charity been acquired on 1 January 2022 was £439,000. Income from donations and other activities is not split by individual House and therefore cannot be specifically attributed to the Alder Hey House for the year to 31 December 2022.

Notes to the Financial Statements

for the year ended 31 December 2023

8. Business combinations (continued)

Ronald McDonald House Bristol

On 23 November 2022, Ronald McDonald House Bristol transferred certain assets and liabilities to the Charity for a consideration of £1. Ronald McDonald House Bristol's principal activity was providing free accommodation and assistance for the parents and families of children undergoing treatment.

The fair values of the identifiable assets and liabilities of the Ronald McDonald House Bristol as at the date of acquisition were:

Fair value recognised on acquisition (£'000)

	Unrestricted Funds	Restricted Funds	Total
Assets			
Tangible assets	215	-	215
Cash at bank	-	76	76
Liabilities			
Creditors	3	-	3
Net asset	212	76	288
Gain recognised in income	212	76	288
Purchase consideration	-	-	-

Tangible assets acquired consists of leasehold improvements and fixtures, fittings and equipment amounting to £216,000. Since the leasehold improvements held for its service potential to beneficiaries, the depreciated replacement cost was used as proxy for the fair value measurement. Acquisition expenses of £58,000 were incurred in respect of this acquisition and expensed to the statement of financial activities.

The expenditure relating to Ronald McDonald House Bristol for the year had the Charity been acquired on 1 January was £345,531. Income from donations and other activities is not split by individual House and therefore cannot be specifically attributed to Ronald McDonald House Bristol for the year to 31 December 2022.

Notes to the Financial Statements

for the year ended 31 December 2023

9. Auditor's remuneration

	2023 £'000	2022 £'000
Auditor's remuneration	71	85

In 2023 and 2022, the audit fee has been borne by McDonald's Restaurants Limited.

10. Staff costs and Trustees' remuneration and expenses

	2023 £'000	2022 £'000
Salaries and wages	6,220	5,430
Social security costs	630	613
Pension costs	491	474
	7,341	6,517

The number of staff whose emoluments fell within each of the following bands was:

	2023 £'000	2022 £'000
£60,000 to £69,999	7	2
£70,000 to £79,999	1	2
£80,000 to £89,999	1	3
£90,000 to £99,999	2	2
£130,000 to £139,999	-	2
£140,000 to £149,999	1	-
£260,000 to £270,000	-	1

The Charity's Trustees were not paid nor received any other benefit from employment with the Charity in the year (2022: £nil). There were no reimbursed expenses during the year (2022: £394). No Trustee of the Charity received payment for professional or other services supplied to the Charity (2022:£nil).

The key management personnel of the charity comprise of the Chief Executive and the Senior Leadership Team. For a short period of time, two Chief Executives were in post to allow for a handover. The total employee benefits of the key management personnel of the Charity were £781,937 (2022: £812,816).

During the year the charity made ex gratia payments totalling £61,111 (2022: £1,000).

Notes to the Financial Statements

for the year ended 31 December 2023



11. Staff numbers

The average head count during the year was 224 staff (2022: 201) and was made up as follows:

	2023 No.	2022 No.
Support staff	24	20
Fundraising staff	43	32
Operational staff	157	149
	<u>224</u>	<u>201</u>

12. Corporation Taxation

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

13. Limitation by Guarantee

The Charity is limited by guarantee and as a consequence does not have share capital. The Directors of the Charity comprise of Independent Trustees, and Trustee representatives of McDonald's Restaurants Limited and its franchisees. The liability of every member is limited to £1 each.

Notes to the Financial Statements

for the year ended 31 December 2023

14. Related Party transactions

During the year, the company entered into transactions, in the ordinary course of business, with related parties as listed below.

McDonald's Restaurants Limited is defined as related party of the charity; it is the charity's main fundraising partner and the Charity and McDonald's Restaurants Limited share certain members of key management. McDonald's Restaurants Limited lease office space to the charity on an ex-gratia basis. The Charity's received charitable donations from McDonald's Restaurants Limited of £371,943 (2022: £279,606). Additionally, McDonald's Restaurants Limited made donations of £721,421 (2022: £459,553) in respect of the Welsh and Scottish carrier bag levies.

McDonald's Restaurants incur costs on behalf of the charity which are then recharged at cost to RMHC. During the year McDonald's Restaurants Limited invoiced £7,180,451 (2022: £6,532,441) in recharges for costs incurred. As at 31 December 2023 the amount due from the Charity to McDonald's Restaurants was £327,797 (2022: £513,988).

Forsters LLP is a related party of the Charity by virtue of a Trustee of the company also being a partner of Forsters LLP. The Charity engaged Forsters LLP for advice on various estates related projects. Legal costs incurred during the year were £20,580 and at the balance sheet date the amount of £9,780 was due by the Charity to Forsters LLP.

15. Intangible Fixed Assets

	Software £'000	Total £'000
Cost:		
At 1 January 2023	637	637
Additions	436	436
At 31 December 2023	1,073	1,073
Amortisation:		
At 1 January 2023	131	131
Provided in the year	263	263
At 31 December 2023	394	394
Net book value:		
At 31 December 2023	679	679
At 1 January 2023	506	506

Notes to the Financial Statements

for the year ended 31 December 2023

16. Tangible Fixed Assets

	Leasehold improvements £'000	Fixtures and fittings £'000	Office equipment £'000	Total £'000
Cost:				
At 1 January 2023	66,589	3,324	342	70,255
Additions	627	689	43	1,359
Disposals	(149)	-	-	(149)
At 31 December 2023	67,067	4,013	385	71,465
Depreciation:				
At 1 January 2023	12,625	1,696	193	14,514
Provided in the year	2,123	302	53	2,478
Disposals	(39)	-	-	(39)
At 31 December 2023	14,709	1,998	246	16,953
Net book value:				
At 31 December 2023	52,358	2,015	139	54,512
At 1 January 2023	53,964	1,628	149	55,741

The net book value of leasehold improvements consists of:

	2023 £'000	2022 £'000
Long leasehold	51,702	53,308
Short leasehold	656	656
	52,358	53,964

17. Debtors

	2023 £'000	2022 £'000
Other debtors and prepayments	536	1,165
Accrued income	951	368
	1,487	1,533

Notes to the Financial Statements

for the year ended 31 December 2023

18. Creditors

	2023 £'000	2022 £'000
Accruals	1,216	693
Other creditors	808	883
Deferred income	40	117
	2,064	1,693

The deferred income balance relates to income received for events that will take place in 2024. Out of the 2022 deferred income balance £117,000 was released in 2023 and £40,000 is included in the year end balance relating to events that will take place in 2024.

19. Analysis of Charitable Funds

	Restricted funds £'000	Designated Funds Fixed assets £'000	Designated Funds Alder Hey Refurbishment £'000	General Unrestricted funds £'000	Total £'000
Funds					
At 1 January 2023	2,616	56,990	9,000	2,858	71,464
Incoming resources	852	-	-	15,370	16,222
Resources expended	(1,545)	-	-	(12,086)	(13,631)
Fixed asset investments	-	12	-	-	12
Additions	(240)	1,795	-	(1,555)	-
Amortisation	-	(263)	-	-	(263)
Depreciation	-	(2,478)	-	-	(2,478)
At 31 December 2023	1,683	56,056	9,000	4,587	71,326

It is the Charity's policy to ensure that funds are sufficient to cover at least four months of operating costs. £4.6m remains undesignated to provide appropriate resources to cover the charity's day to day running costs in the event of a sudden unexpected change in the Charity's income levels. The Trustees have felt it prudent to ensure a balance of £13.6m of which £9m is designated to the refurbishment of the Alder Hey House.

Notes to the Financial Statements

for the year ended 31 December 2023

19. Analysis of Charitable Funds (continued)

The Scottish carrier bag levy that is received is restricted to expenditure of the operating of the Ronald McDonald House Edinburgh. The expenditure in the year was £363,000 (2022: £256,000). Equally the Welsh carrier bag levy is restricted to expenditure of the operating costs of the Ronald McDonald House Cardiff which was £332,000 (2022: £301,000)

	Restricted funds £'000	Designated Funds Fixed assets £'000	Designated Funds Alder Hey Refurbishment £'000	General Unrestricted funds £'000	Total £'000
Funds					
At 1 January 2022	1,356	54,037	-	10,645	66,039
Incoming resources	1,273	-	-	12,978	14,251
Resources expended	(954)	-	-	(9,626)	(10,580)
Fixed asset investments	-	30	-	(30)	-
Assets acquired through business combinations	941	3,747	-	(719)	3,969
Additions	-	1,390	-	(1,390)	-
Amortisation	-	(106)	-	-	(106)
Depreciation	-	(2,108)	-	-	(2,108)
Transfer between Funds	-	-	9,000	(9,000)	-
At 31 December 2022	2,616	56,990	9,000	2,858	71,464

20. Fixed asset investments

Cost or valuation	2023 Listed investments £'000	2023 Total £'000	2022 Listed investments £'000	2022 Total £'000
At 1 January	743	743	-	-
Additions	-	-	773	773
Net gains/(losses) in investments	12	12	(30)	(30)
At 31 December	755	755	743	743

The historical cost of the shares at 31 December 2023 is £620,000 (2022: 620,000).

Notes to the Financial Statements

for the year ended 31 December 2023

21. Reconciliation of net (expenditure) / income to net cash flow from operating activities

	2023 £'000	2022 £'000
Net (expenditure) / income for the reporting period	(138)	1,457
Depreciation charges	2,478	2,108
Amortisation charges	263	106
(Gain) / Loss on investments	(12)	30
Loss on the sale of fixed assets	110	-
Interest on investments	(507)	(156)
Decrease in debtors	46	126
Increase in creditors	371	606
Net cash provided by operating activities	2,611	4,277

22. Analysis of cash and cash equivalents

	2023 £'000	2022 £'000
Cash in hand	15,957	14,634
Total cash and cash equivalents	15,957	14,634