

Registered number: 03467406
Charity number: 1067885



Martha Trust
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2023

Martha Trust
(A company limited by guarantee)

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Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 December 2023

Trustees	Humphrey Clarke, (resigned as Chairman on 15 December 2023) Adrian Button (resigned 7 December 2023) Georgina Hovey Richard Pitt Rebecca Pryse John Quin Amy Rosie (resigned 17 August 2023) Robert Sparkes Roger Walton, (appointed as Chairman on 15 December 2023)
Company registered number	03467406
Charity registered number	1067885
Registered office	Homemead Lane Hacklinge Deal Kent CT14 0PG
Senior management team	Natalia Olszewska, Director of Finance and Resources (resigned 4 December 2023) Kelly Hutchings, Associate Director of Finance (appointed 4 December 2023) Owen Nolan, Strategic Health and Social Care Lead Claire Rogerson, Director of People and Culture Alice Moir, Associate Director - Fundraising and Marketing
Company secretary	Julie Gayler (appointed on 7 December 2023) Natalia Olszewska (resigned on 4 December 2023)
Chief executive officer	Julie Gayler
Independent auditors	Kreston Reeves LLP Statutory Auditor Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	Barclays Bank PLC 9 St George Street Canterbury Kent CT1 2JX
Solicitors	Girlings Solicitors LLP 16 Rose Lane Canterbury Kent CT1 2UR

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Chairman's statement
For the year ended 31 December 2023

The chairman presents his statement for the year.

Each year I write this statement with a sense of hope. Hope that the world will be kinder to those who are less fortunate or more vulnerable, and to organisations like us, who work to support and encourage people with Profound and Multiple Learning Disabilities (PMLD) to thrive in the world around them. 2023 was a year that once again set us challenges, and required our teams to dig deep, be creative, show faith and have empathy and understanding in the face of ongoing difficulty.

With Covid now appearing to be an accepted part of life, and government restrictions for care homes all but disappearing, new challenges arose to be met and conquered by all at Martha. Ongoing troubles between the Ukraine and Russia continue to impact on the world economy and result in increases in both energy and food costs. Furthermore, the tightening of budgets for local authorities, the NHS and Adult Social Care resulted in Martha's fee income coming under ever increasing pressure, potentially threatening the longevity of the organisation unless changes were made.

The Senior Management Team (SMT) worked tirelessly to look at ways to both reduce outgoings and increase income without affecting the high-quality, person-centred care we pride ourselves on. This work and determined approach continued throughout 2023 and will need to be sustained into 2024 and beyond. The Board made the decision for the final quarter to increase the support provided to the SMT, setting regular Board meetings to provide guidance and reassurance to the team.

The SMT were quick to recognise the importance of ensuring residents' funding matched their requirements and the level of care and support provided. This led to the start of a project, building on the work by the joint Trustee and SMT Funding Strategy Group initiated in 202, reviewing residents' needs, and challenging funders to recognise these changes and fund accordingly. This work will ensure that not only will Martha Trust receive the appropriate fees, but that residents will be funded for the hours required to meet their individual needs. Alongside this, Martha developed existing relationships to challenge minimal fee increases that result in funding not meeting costs.

Recruitment was a tale of two sites. In Deal, we found ourselves able to recruit well, ending 2023 fully staffed. This was due to hard work, and the exceptional reputation Martha has established in the local area. In Hastings however, we continued to face the normal challenges. This said, recruitment did slowly improve, resulting in the high dependency on agency seen at the start of the year starting to ease towards the end of 2023, a relief to our Mary House team.

Mary House worked hard to address CQC feedback and implement improvements raised during the initial inspection in November 2022. The management teams on both sites came together to work collectively, using learning from each other to make positive changes, including the introduction of medication training and competences that improve our processes, ensure resident safety, and enable Support Workers to increase their hourly pay through increased skills.

As we look forward to 2024, I have made the decision to step down as Chairman, a position I have been privileged to hold for 12 years. This is not a decision I made lightly, but I believe our SMT will benefit from a Chair who is able to provide support and guidance in person. Martha is in safe hands with the unanimously elected new Chair, Roger Walton, an experienced and committed Board member. He and the SMT have my blessings. The Board have asked me to stay on as a Board member, which I am very happy to do. Together, we embrace the future ahead with faith, determination and gratitude for the support of our generous donors.

We believe in Martha, our values and the good we can bring to the world. May the Lord continue to guide and protect us, enabling us to continue our valuable work.



pp. Humphrey Clarke
Chairman (resigned as Chairman on 15 December 2023)
Date: 22nd August 2024 .

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Trustees' report
For the year ended 31 December 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Martha Trust (the charity) for the year ended 31 December 2023. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the 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) (effective 1 January 2019).

Public Benefit

a. Purpose

We are an established regional charity, formed in 1987, providing residential and day care to adults with profound physical and multiple learning disabilities (PMLD). We are passionate about delivering person-centred care, enabling the individuals we support to achieve their highest level of independence and lead a fulfilling, contented and meaningful life.

We achieve this by:

- recognising and respecting people as unique individuals.
- encouraging and supporting everyone to be involved and engaged in the world around them.
- promoting good health and holistic well-being.

Our health goals are to reduce and prevent unnecessary hospital admissions and to prevent delayed discharges.

We achieve this by:

- having individual care and support plans for people, recognising best practice and how we can support people with our nursing teams.
- developing a discharge plan on admission and acting as advocates for the residents' well-being while they are in hospital.

We believe that people with PMLD have the right to make choices about their lives as well as the absolute right to privacy, dignity and respect. They are encouraged and assisted to engage where possible in activities within their local community. Our residential services are supported by a team of in-house care professionals as well as external specialists in health, person-centred planning, communication and physiotherapy.

Our Mission is to offer compassion, friendship and encouragement to people with PMLD, supporting them to lead a full and contented life.

Our Vision is for everyone with profound disabilities to be given the very best opportunities in life, enabling them to engage in the world around them and achieve their individual potential.

Our Values are:

- To treat everyone with respect, dignity and compassion
- To always be supportive and encouraging
- To promote a culture of inclusion and diversity
- To act with integrity and honesty at all times
- To champion the needs and rights of people with profound disabilities

While Martha Trust is driven by Christian values, we offer care and support to people from all faiths and backgrounds. We employ staff based on their skills and experience and do not discriminate on grounds of faith, gender, age, ethnic origin, disability, marital status, race, nationality or sexual orientation.

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Trustees' report (continued)
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b. Our strategic aims

1. Be an outstanding provider offering high quality services and support for our residents
2. Generate sufficient fee and fundraising income to ensure ongoing financial viability
3. Operate an effective and efficient charity
4. Be an employer of choice in our local area
5. Enhance our links with community to the benefit of our residents

c. Our strategic objectives for 2022-2024

Objectives supporting each Strategic Aim

1. Be an outstanding provider offering high quality services and support for our residents
 - 1.1. Understand the needs of the residents we serve and ensure we can evidence the impact of our services
 - 1.2. Ensure our services are safe, effective, caring, responsive and well-led
 - 1.3. Working closely with CQC and local authorities; to be outstanding in clinical expertise with an emphasis on residents needs
2. Generate sufficient fee and fundraising income to ensure ongoing financial viability
 - 2.1 Ensure fee income for each resident is sufficient to fully cover the cost of their individual care needs
 - 2.2 Grow and sustain voluntary income
 - 2.3 Maintain efficient staffing levels and costs and limited use of agency staff
 - 2.4 Ensure value for money by applying principles of economy, efficiency and effectiveness
3. Operate an effective and efficient charity
 - 3.1 Ensure our organisation is well-governed and that our strategies, plans and budgets are aligned
 - 3.2 Maintain effective risk management to aid and inform decision-making
 - 3.3 Measure impact and outcomes in line with our Mission
4. Be an employer of choice in our local area
 - 4.1 Support, develop and manage our staff in the achievement of our objectives
 - 4.2 Foster a culture where individuals of all backgrounds feel confident to be themselves, and are included and empowered
 - 4.3 Continue to evolve our strategic approach to recruitment and retention
5. Enhance our links with community to the benefit of our residents
 - 5.1 Identify and take advantage of opportunities to support residents to be active members of the local community
 - 5.2 Develop initiatives to engage with our local communities, promoting the work of Martha Trust and ways to support the charity
 - 5.3 Identify and promote volunteering opportunities to individuals, businesses and local groups

The above objectives are in the process of being developed into a formal three year plan. As detailed below, this work was delayed due to the need to focus on Martha Trust's financial position during 2023. The plan will now be completed in 2024. However, some initiatives and projects to deliver the objectives are already live, with progress continuing in 2024 as set out in this report. Annual performance will be measured against achievements relating to the plan in 2023 and 2024 and will be reported in the Trustees' Annual Reports for this year and next.

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d. Activities for achieving objectives

Strategy

The biggest challenges in delivering against our strategic aims in 2023 have been the ongoing battle to negotiate appropriate fees against a backdrop of soaring inflation, the steep rise in the cost of living and the national recruitment crisis within the adult social care sector. It is a harsh reality that the combination of these factors has hindered the speed with which we have been able to move forward with the completion and full implementation of our strategic plan.

Martha Trust strives to be an organisation that adapts and evolves to meet the inevitable challenges posed by external forces. During 2023 our focus has been on identifying new strategies to counter funding shortfalls and staff vacancies. A process of reassessment and strong fee challenges have led to a number of funding increases, whilst a range of positive changes were introduced to improve staff retention and recruitment. These included an early pay increase above the National Minimum Wage, introduction of values-based supervisions and a change to the management of the rota which resulted in a significant decrease in agency use by the end of the year.

By recognising the complex needs of those we support, we recognise the responsibility we have in ensuring that we protect the long-term sustainability of the organisation and can provide residents with the caring home for life that they deserve – and while doing so set new industry standards of excellence.

We are passionate about supporting people with PMLD to lead a full and contented life. We achieve this by recognising and respecting people as unique individuals, encouraging and supporting everyone to be involved and engaged in the world around them and promoting good health and holistic well-being.

Families

We continue to be committed to working alongside families, recognising their wealth of knowledge, listening to feedback and ideas to improve the experience for those involved and create meaningful relationships for the benefit of everyone.

Virtual family forums continued during 2023, which enabled family members from both Martha locations to interact, share views and experiences and develop their own support networks. Social media has proven to be invaluable in enabling families to keep in touch, with dedicated Facebook and WhatsApp platforms set up by the families.

Parent Representative Meetings have continued to take place regularly via Zoom. This has facilitated open and transparent communication between the Representatives and the Martha management team, which has been vital during a year of unexpected external pressures. One of the many benefits from these meetings, has been that consistent communications to wider family members has been far easier to facilitate.

The Relatives Gateway provides access for families to areas of Martha's electronic care plan system, PCS, enabling them to keep up to date with the care and activities of their loved ones. This is currently available to the families of residents who live in Martha's Deal-based homes, but will be rolled out to those residing at Hastings in early 2024.

The 2023 family feedback questionnaire was distributed to families, with 12 responses received, a response rate of 32% compared to 23% in 2022. Whilst this is still a little disappointing, taking into account the other mechanisms we have in place for families to express their views, which we know they utilise, it is less of a concern. Many of our families frequently attend the family forums and are encouraged to raise issues, concerns or positive feedback directly to the Home Managers as and when they need to, as well as utilising the Parent Representative group. The family questionnaire plays a part in the review of our care services but isn't to be used as a stand-alone.

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Trustees' report (continued)
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Family members are recruited to sit on Trustee-led committees when their experience is identified as being of value. This includes the Care Improvement Committee and Funding Strategy Committee, both of which have benefited enormously from the skills and different perspectives brought to the discussions by the families of our residents.

Operations

The Care Improvement Committee, attended by a clinical Trustee and three family members with clinical backgrounds, aims to further develop our service and demonstrate how we are improving the lives of our residents through a long-term care strategy. Positive progress was made by the Committee during 2023 on the priority area of a new medication policy.

Our Quality assurance framework continues to evolve and improve, with the electronic care plan system, PCS, fully embedded. This technology streamlines the process of recording daily care and the review of risk assessments and resident needs. The electronic Medication Administration Record (MAR), which integrates with PCS and provides a safe, efficient system proven to reduce medication errors was successfully introduced at our Hastings location during 2023. This is now live across the organisation.

The organisational governance framework was reviewed and relaunched in 2022, replacing the previous Clinical Governance meetings and is guided by the CQC reg 17 for Governance, encompassing the Regulations for Service Providers and Managers under the Health and Social Care act 2008 and 2009. The framework has developed during 2023, with a new audit system introduced.

Continuous Improvement Plans (CIP) form the basis of improving the quality of the services we offer. Each site has a CIP based on the CQC Key Lines of Enquiry standards. CIPs have been regularly updated during the year to include areas of improvement highlighted in stakeholder questionnaire responses and audits. Focus is placed on areas rated as Good by CQC at the last inspections, with a view to achieving Outstanding. This rolling plan ensures we can react quickly to areas of concern or innovative ideas, put more robust governance in place and evidence our ethos of being a learning organisation.

The activities teams at both Martha locations continue to lead on delivering person-centred activity plans, communication and physiotherapy programmes. PCS provides the platform for recording evidence of activities and review of individual plans due to any changes in need or preferences.

As always, we are keen to explore opportunities offered by new technology which can enable all residents to communicate more effectively, express themselves and have fun. As well as Eye Gaze technology, through generous donations we have been able to introduce two Rainbow Tables for our Deal homes. These interactive, touch-screen, multipurpose tablets are the perfect addition to our activity offering at Martha.

Development of the Martha Trust GDPR policy is an ongoing project, with overall responsibility passing to the CEO and Associate Director of Marketing & Fundraising. Progress is now being made on reviewing and updating processes relating to Martha's care services and HR processes to ensure ongoing compliance with the latest regulations.

We continue to provide monthly information to several CCG Commissioning Support Units on set Key Performance Indicators and are working with other funding authorities to provide more detailed information on the service we provide.

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Trustees' report (continued)
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Our People

The recruitment challenges of 2022 continued into 2023 with the teams on both sites working under pressure due to being understaffed. As a result, we saw high use of overtime shifts and agency workers to ensure staffing levels were maintained at a safe level.

Martha was able to implement a pay increase from the start of January 2023, paying above the national minimum wage before it became a legal requirement. This proved to have a positive impact on both recruitment and retention, with new starters joining in the first quarter. The staff questionnaire also fed back that this led to people feeling fairly paid for their roles and valued.

Following positive feedback from the teams, additional incentives were offered to staff to encourage retention. These incentives were supported by the generosity of grateful families of residents.

The work life balance project implemented in 2022 was firmly in place by the start of the year, and flexible working was supported as far as possible. A staff get together was also arranged for all to attend with their families, with our regular supporter, Solley's, hosting the day on their field in Ripple. This was an opportunity for people to get together, have fun on the inflatable assault course all while the SMT and Fundraising team worked behind the bar to look after them as a thank you for their hard work.

As part of the wider project to ensure values are embedded as part of the everyday culture, Value-based supervisions were introduced. This enabled the HR team to spend time with every member of staff, reflecting on how they ensured they treated people well, and providing feedback on what Martha do successfully and what can be done better. Standard supervisions still take place with a focus on people's roles and skills, but this time allows the opportunity for people to consider their behaviour and provide insight for future improvements.

Challenges to funding meant that hard decisions had to be made during 2023 and increases to overtime rates made during Covid to encourage our own staff to cover shifts and reduce the number of visiting agency staff had to be brought back in line with normal policy.

The financial position also highlighted the danger of continuing to staff heavily with agency. Mary House relied on agency, with a low pick up of overtime shifts. Changes were made within the management team, and the management of the rota moved to an organisational position rather than being managed in-house. The individual was tasked with reducing agency costs and increasing overtime pick up. This presented challenges, with the team required to adapt to a new way of working. Despite some negativity and some resistance, by the end of 2023 we were starting to see a real impact, with less agency being booked and more overtime shifts being picked up. This trend is expected to continue into 2024.

Training plans for 2023 needed to be adapted following the CQC inspection at Mary House in November 2022, and the follow up inspection in early 2023. Feedback from the inspectors relating to medication resulted in the prioritisation of delivering a specific Medication course for Support Workers. The specialised course took a sizable amount of the training budget, and the decision to recognise the completion and subsequent passing of medication competencies with an increase in pay, impacted on the 2023 expenditure.

Work began on writing a new course to be introduced in 2024 – 'Values and Empathy'. This course will be delivered internally, and allows time to consider Martha's values, building on the feedback from the recently introduced supervisions and starting to build on the previous plans to embrace Equity, Diversity, and Inclusion. The second part of the course focuses on enabling people to see from a resident's perspective, with an aim on building empathy.

Several training courses planned for later in the year were put on hold due to the budget being used for medication training, and a need to reduce expenditure. Plans for 2024 include moving all mandatory courses online to enable the training budget to be prioritised on courses that focus on improving peoples' skills and/or understanding resident's needs.

Feedback from new starters continues to help us make the induction and Buddy process as effective as possible, encouraging people to embrace our values and commit to ensuring residents can embrace their lives and engage in the world around them.

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SMT continued to be led and guided by our CEO, Julie Gayler, with other members continuing to grow in their roles. Natalia Olszewska stepped down as Finance Director in the last quarter, allowing Kelly Hutchings to step up into a role of Interim Financial Controller and enabling Kelly to gain new strategic experience, working with SMT on challenging fees, increasing income, and reducing expenditure.

The second half of 2023 was difficult for Martha due to concerns around the financial pressures faced by the organisation. Continuous failures by funders to increase fees, high agency and staffing costs all contributed to a challenging outlook. Julie Gayler took a positive approach to the challenges, harnessing the strength and passion within SMT to adopt a strategic approach that saw 2023 end with a lower deficit than might otherwise have occurred. This level of tenacity, positivity and determination will be carried into 2024.

There were also difficulties faced on both sites related to relationships with families. This impacted on the care teams, and much time was spent ensuring that support was provided at all levels to deal with some of the very demanding situations. Work is underway to strengthen the professional boundaries and expectations we have when working with families and external agencies, to avoid the same issues arising and ensuring we learn from the experiences. A revised, all encompassing 'Code of Conduct' will be introduced in 2024.

Overall, the staffing numbers in the care teams across the organisation remained steady with 22 leavers for the year, and 21 new starters. 12 leavers were from the Deal site, and 10 from Hastings. General movement in contracted hours, and 2 of the Deal leavers being in supernumerary positions led to a slight increase in the level of staffing on the rota, with Deal looking to be fully staffed for both nurses and Support Workers in early 2024. However, levels of employee vacancies at Mary House remain a concern due to the wider impact they have on both team morale and agency costs. At the end of 2023 applications for roles were steady and agency use reduced compared to the start of the year.

Teams were advised in December 2023 that overtime rates would be reducing further to time and a third, and that the annual pay increase would not be implemented until April 2024 due to challenges with finances. Despite this news, all staff received a £50 voucher for Christmas, and the increases implemented to recognise increased skills in the form of competencies remained in place.

Fundraising

2023 was the second full year, post pandemic that we were able to run our full series of events and face-to-face fundraising. Income raised via our fundraising events programme continues to grow, with our music events and golf days proving extremely popular with our supporters and the wider community of Deal. The majority of our events saw growth and income from all of them, except one, was at an all-time high.

Income from our car challenge was down on 2022, as we had a number of cars drop out. A total of seven cars headed off to Barcelona. This event is a high profile event often picked up by the media and continues to provide us with great connections with local businesses and develops long term supporters.

Our strategy for focussing our events around providing an enjoyable as well as a rewarding experience is proving the right focus for our charity. Where possible we also aim for our fundraising events, especially our music ones, to be accessible and inclusive.

General income was down on budget, but this is a reflection on the challenges facing the charity sector as a whole and the impact the cost-of-living crisis is having on general fundraising.

We continue to build on support from local businesses and nurture relationships, we saw growth in support through sponsorship of our events programme and gifts in kind.

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As a charity we receive a large number of Gifts in Kind (GIK) donations each year alongside monetary donations. Such donations play a vital role in achieving our fundraising objectives so in 2023 we took the decision to start including GIK support in our annual report and accounts. These donations are included in our fundraising income and expenditure lines.

Our profile in the local communities within which we work continues to grow and we are spreading awareness further into Kent and Sussex. We continue to build good foundations in the Hastings area with key community groups. Our social media strategy continues to gather momentum with our Facebook followers up 9.4%, Instagram up 17% on 2022, Twitter up 6.8% and LinkedIn up 17.8%. Our social media is a great tool in promoting our fundraising activity, support for Martha, as well as raising awareness of profound disability.

Towards the end of 2022, we expanded our fundraising team, appointing a new post of Fundraising and Events Assistant to support our fundraising and to help raise awareness of our work in the Hastings area. Sadly this role did not work out as we had planned and the role ceased in April 2023. Our fundraising team was the equivalent of 2.72 f/t roles in 2024.

Core Grant Income

Our core grant income stream, which focuses on securing core funding support from trusts and foundations delivered 16% over forecasted income.

In 2023, our aim was to secure core funding towards items we have to pay for as a charity. We focussed our core approaches this year around activities, Person Centred Software and fundraising events costs.

Restricted Appeals

In 2023, we had a number of restricted projects for equipment.

Our appeal, to purchase two Rainbow Tables for our Deal homes started in 2022 and completed in January 2023. These interactive, touch-screen, multipurpose tablets are the perfect addition to our activity offering at Martha and we successfully completed the appeal in January and purchased the second Rainbow Table.

We ended the year securing 68% of the funding needed for our THERA trainer appeal, so this carried forward into 2024. The THERA Trainer Tigo is essentially an exercise bike designed specifically for people with limited mobility.

A number of restricted donations were received for us to enhance our gardens at our Deal homes, with a large grant to support a volunteer day by a team from Swiss Re.

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Trustees' report (continued)
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Achievements and performance

a. Key financial performance indicators

Martha Trust had another challenging year in 2023. The adult social care sector continued to suffer the effects of the cost-of-living crisis, combined with the under-funding that has become systemic in the sector and is widely debated within the national press and service provider membership groups. We have to report that once again the fee increases that we did receive were insufficient to cover the full extent of cost increases. Inflationary fee increases we received for 2023 were on average 2.9%, significantly lower than the 5.2% increase in the Consumer Price Index and the 9.7% increase in minimum wage. It is unclear how National and Local Government envisaged this gap would be filled and it was largely to blame for the size of our deficit in 2023. Total income was £6.6 million (2022: £6.4 million) and the deficit was £451,715 (2022: £64,039). Room occupancy which has a direct impact on income decreased to 94.9% compared to 96.5% in 2022, due to the sad death of three residents during the year and the time lag to fill resident vacancies caused by necessary assessments required by funders.

Over the last six years, the full rate of minimum wage has risen by 33.1%, from £7.83 per hour to £10.42 per hour. None of our funding authorities have increased their fees by anything near 33.1% over that six-year period. None of our funding authorities have so far increased their fees by 9.7% for 2024. The mismatch between increases in minimum wage and inflationary fee increases clearly means a significant gap in funding because approximately 70% of our costs are staff costs. It is notable that the Government, having set the minimum wage each year, did not recognise a need to properly compensate through fees those organisations that are, like Martha Trust, largely publicly funded.

Marketing of care services is still generating new care enquiries. We are further building on relationships with stakeholder authorities that resulted from marketing activity in recent years. We continue to engage with local Social Care and NHS funders, to enhance relationships with them at both of our locations.

The level of new care enquiries in 2023 continued to be encouraging. This is, as in previous years, partly due to our profile being raised through marketing and partly due to a sustained and particularly high level of demand in a time of shrinking service provision in South East England.

We have a continuing system of expenditure monitoring and control and a rigorous budgeting process. We negotiate with existing suppliers as well as potential new suppliers in order to source goods and services at the best possible price. Although there continue to be increases in costs, we have achieved efficiencies across the organisation where this was possible. Having said that, we suffered cost increases that we are unable to control as outlined above.

The year ended with the following results:

- Total income £6.57m (2022: £6.4m)
- Expenditure £7.03m (2022: 6.46m)
- Deficit £0.45m (2022: £0.06m)
- Percentage costs of management and administration 8.3% (2022: 8.59%)
- Occupancy 94.9% (2022: 96.5%)
- Balance Sheet total funds £4.62m (2022: £5.07m)

b. Review of activities

There were three new residential placements during the year. The respite service was suspended in March 2020 due to Covid-19 and remains closed. Enquiries from families and clinical professionals seeking a possible placement continue to be at an encouraging level and residential rooms are very much in demand.

c. Investment policy and performance

The investment policy agreed by the Trustees is to place funds in cash deposits on fixed and short-term arrangements but with the primary objective of ensuring Martha Trust's cash flow requirements are met.

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d. Factors relevant to achieve objectives

Our staff team works as seamlessly as possible to ensure that occupancy is maximised and that care is provided to not just meet residents' needs but to make a real difference to their lives. Some of the major challenges are outlined in a later section of this report, but we ensure that everyone has their needs regularly reassessed and that full and comprehensive care plans, risk assessments and other important documentation are in place and regularly updated in support of our objective to ensure our services are safe, effective, caring, responsive and well-led.

Financial review

a. Going concern

The adverse impact on our overall finances of underfunding from our major funding authorities and high staff vacancies, resulting in substantial agency cost, were understandably a cause for concern. Work is in hand to mitigate these issues and, as a consequence, the Trustees are now confident that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Financial risk management objectives and policies

Financial risk is minimised in several ways by Martha Trust. The ways we manage risk include seeking adequate fees for residents, effective cost control and proper appraisal of any developments. Through our policies and procedures our financial risk management is embedded in our organisational culture.

c. Principal risks and uncertainties

In common with many providers of social care and health services, Martha Trust faces risks and uncertainties regarding the sustainability of fee levels in the long term. As noted above there have not been sufficient fee increases to cover cost pressures in full, particularly wage increases. Costs in the care sector are rising faster than general inflation. Regulation and good practice have caused notable cost increases as we need to spend more on maintaining and enhancing the quality of care. The Trustees have always believed it is absolutely correct for stakeholders to have confidence that our service is safe, effective, caring, responsive and well led. Securing funding for the essential spending that is increasingly required remains very challenging.

As mentioned in a. above, staff vacancies and the impact of agency cost are another concern. Staffing costs continue to be impacted by increases in National Living Wage (NLW). Although some funding authorities have increased fee levels, those increases do not cover the increase in wage costs. This results in continued pressure on resources and a greater challenge in maintaining financial stability.

As also mentioned in a. above, inadequate fee increases remain of concern. In particular, for the second year running, Kent County Council, are proposing no increase whatsoever to residents on the Deal site, and Kent and Medway ICB are proposing a mere increase of 1.8%. Neither of these take any account of inflationary situation. We have developed relationships with funding authorities where in previous years there was no relationship. By working to resist pressure on fees, by nurturing relationships with stakeholders, by increasing the number of rooms and by maximising our bed occupancy level we continue to meet risk with concerted action and therefore safeguard the future of Martha Trust.

d. Principal funding

The main source of income for Martha Trust is from contracts with local authorities and NHS ICBs. Since Martha Trust provides care for people drawn from all parts of the UK, the charity has cultivated and maintained a wide range of relationships.

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In addition, Martha Trust has, over several years, developed a marketing strategy specifically for its care services that has broadened its reach, enabling it to source placements from a greater number of authorities. This will help to maximise overall occupancy levels and therefore fee income. Alongside this strategy we are working more closely with Sussex ICB as well as with Kent & Medway ICB in order to source a higher level of placements from local areas.

Fundraising income finances some of our capital expenditure including developments within our homes like new rooms and specialist equipment, as well as providing some unrestricted funding. Other than fees for services and specific funding for the effects of Covid on our costs, no income is received from any statutory sources.

We are also grateful for the vital contributions by our supporters who help Martha Trust provide the level of service and care that we are all committed to. Without this support it would not be possible for the charity to continue to undertake its current level of service provision.

We believe that giving to charity should be a positive experience, and to help make sure this is the case the charity has put in place a policy that seeks to ensure that the highest possible standards of fundraising practice are being adopted. This policy acknowledges the damaging impact an excessively aggressive approach to fundraising can have on vulnerable people, whether from unreasonably persistent approaches being made or undue pressure to give being applied, and great care is undertaken to ensure that such practices are not adopted by the charity. The charity voluntarily subscribes to the Fundraising Regulator and complies with all aspects of its Code of Practice as well as ensuring its fundraising activity follows the principles set out under GDPR. Fundraising activity is predominantly carried out by our own in-house team and volunteers. The charity does not utilise the services of any external commercial fundraisers for general fundraising purposes. However during 2023, Martha sought support from a Fundraising Consultant for the purposes of its strategy and appeal approach to Trusts and Foundations

Martha welcomes feedback on its fundraising approach and seeks to make improvements wherever it can. Any complaints received in respect of our fundraising activities are taken very seriously and are acted upon immediately. We are pleased to report that during the year no complaints were received in respect of our fundraising activity.

e. Material investments policy

We do not participate in material investments.

Structure, governance and management

a. Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Trust Deed.

The principal object of the charity is to provide residential or 'inclusive care', for people with profound physical and multiple learning disabilities (PMLD), as well as respite services and support to families caring for people with PMLD.

b. Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co opted under the terms of the Trust deed.

c. Policies adopted for the induction and training of Trustees

For all new Trustees we undertake an induction programme using the guidance from the Charity Commission under the heading of good governance.

Martha Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2023

We discuss with them the seven principles of the Charity Governance Code:

- Organisational Purpose
- Leadership
- Integrity
- Decision making, risk and control
- Board Effectiveness
- Equality, Diversity and Inclusion and
- Openness and Accountability

This ensures that they have a full understanding of their responsibilities. In addition, new Trustees will attend a seminar on their responsibilities by a charity firm during the first year of their Trusteeship at Martha Trust. New Trustees will also be allocated an experienced Trustee to guide them in their first six months of Trusteeship.

d. Pay policy for senior staff

The Trustees are able to claim reasonable travelling and other expenses properly incurred by them in connection with their attendance at meetings of Trustee Board, Committee or General meetings, or otherwise in connection with the discharge of their duties but are not paid remuneration. Some Trustees choose to donate their expenses back to Martha Trust.

All salaried roles at Martha, including those of the Directors and Chief Executive Officer, have been evaluated based on comparator market data by an independent HR consultancy, TRP Ltd, specialising in remuneration and reward issues.

e. Organisational structure and decision making

At the year end the Board of Trustees consisted of nine Trustees, who are also Directors of Martha Trust for the purposes of company law. The Senior Management Team consisted of the Chief Executive Officer, Director of Finance and Resources, Strategic Health & Social Care Lead, Director of People and Culture, and Associate Director of Fundraising and Marketing.

There are four full Board Meetings per year, plus at least four Audit & Finance Committee Meetings. The Funding Strategy Group meets periodically and has two Trustees and one family representative. The Care Improvement Committee meets quarterly and has one Trustee and two family representatives.

In terms of financial control, revenue and capital budgets are prepared for the forthcoming financial year and the Audit and Finance Committee considers the budgets prior to the start of that year. Once agreed, budgets are presented to Trustees for approval. Additionally, regular forecasts are prepared and reviewed during each financial year.

The budgets and forecasts are the cornerstone for financial operations during the year.

The CEO currently holds the CQC registration for the Hastings site, with a Home Manager responsible for the operational management of the home. Registration for the Deal site is held by the Senior Registered Home Manager (SRHM) who also provides clinical advice and support to the Hastings home management team.

All new care policies or changes to existing care policies are reviewed and approved at the organisation Governance meetings, which involve the SMT and management teams across all functions.

f. Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Martha Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2023

Plans for future periods

a. Future developments

The challenges faced during 2023, most importantly the ability to negotiate appropriate fees against a backdrop of financial pressure on commissioners, and the impact of the ongoing national recruitment crisis within the adult social care sector, will very likely remain as we look to the future.

Delivery against key objectives of our 3-year strategic plan will involve the new strategies now in place to counter funding shortfalls. These include regular reassessment of residents' needs and approaches to funders to fully fund those needs, together with robust challenges to inadequate annual fee increases.

We will work to identify new ways to further improve staff retention and recruitment, thereby reducing agency costs. One example of which will be exploring opportunities for overseas recruitment. It is anticipated that staffing is likely to be stable at Deal, but recruitment at Hastings will remain challenging in 2024. In the meantime, efforts will continue to ensure people feel valued, appreciated and well supported, leading to employment at Martha being a positive experience. Our commitment to being an excellent employer, delivering high quality care remains.

In line with our strategic aims set out above, we will also:

Continue to be an outstanding provider that others can aspire to by:

- Demonstrating our understanding of the needs of the residents at Martha Trust and ensuring we can evidence the impact of our support.
- Ensuring our services are safe, effective, caring, responsive and well-led.
- Working closely with CQC and funding authorities, aim to be outstanding in clinical knowledge and safeguarding with an emphasis on residents' needs.
- Being a leading provider in our work on communication with people with PMLD through traditional methods and using the latest technology.

Generate sustainable funding and maximise resources to provide our residents with the best possible lives by:

- Growing, maximising and sustaining statutory, earned and fundraising income.
- Producing three-year budget plan, incorporating income and expenditure, to live within our means.
- Ensuring value for money by applying principles of economy, efficiency and effectiveness.
- Consider new opportunities to increase service provision, but only where the outcomes will contribute to the longevity of Martha Trust

Operate a well-governed, efficient organisation, supporting and developing the staff and volunteers who work for us by:

- Ensuring our charity is well-governed with alignment of strategy, business plan and financial sustainability.
- Managing our quality standards and risks effectively within our regulatory frameworks.
- Supporting, developing and managing our staff in the achievement of our objectives.

Risk Policy

The charity maintains a risk register which firstly identifies all risks and then has a scoring system to further identify major risks. The Director of Finance and Resources is responsible for maintaining the register, which is reviewed monthly at SMT meetings. The CEO discusses serious risks with the Trustees and the relevant subcommittee who will then agree whether it should be subject to a board paper and discussion.

Martha Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 December 2023

Reserves Policy

At 31 December 2022, the Trustees considered it appropriate to set free reserves held to equivalent of at least four months expected general expenditure for one home (four and half months in previous year), which is in the region of £600,000. The free reserves at 31 December 2023 amounted to £504,773. This is lower than our reserves policy, however action has been made to rectify this with a surplus to date following the year end. The Trustees will continue to review reserves on a regular basis, in accordance with the Charity Commission guidance.

Remuneration and social investment policy

Martha Trust recognises the importance of a sound remuneration and benefits policy when it comes to attracting and retaining highly skilled and motivated staff. This policy cannot stand still in isolation and must be reviewed regularly in absolute terms and compared to other similar organisations to ensure its competitiveness.

Staff should be rewarded in relation to:

1. The level of responsibility and the value placed on comparable jobs within the Trust.
2. The value placed on comparable jobs in the local area.

In addition to an annual inflation-linked review, regular reviews will be carried out by the Chief Executive in conjunction with the Home Managers to ensure that Martha Trust remains competitive in respect of its pay and benefits policy generally.

We do not currently undertake any social investment and hence have no policy for this.

Trustee Declaration

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.
- That Trustee had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

The board of Trustees welcomed the new Charity Governance Code published in December 2020. The Trustees considered some of the new requirements of The Code aspirational and thus have faced constraints in immediately implementing all of its recommendations. Nevertheless, the board will continue to strive for continuous improvement, exploring possibilities for extending the range of skills and experience of existing trustees, recruiting where any shortfalls are identified. An independent board review is planned for 2024.

Martha Trust
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Trustees' report (continued)
For the year ended 31 December 2023

Martha Trust is committed to evolving as an organisation to reflect the changing values and principles within society.

Approved by order of the members of the board of Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'R Walton', with a long horizontal flourish extending to the right.

Roger Walton

Date: 22 August 2024

Martha Trust

(A company limited by guarantee)

Statement of Trustees' responsibilities For the year ended 31 December 2023

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

Martha Trust
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Independent auditors' report to the Members of Martha Trust

Opinion

We have audited the financial statements of Martha Trust (the 'charity') for the year ended 31 December 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 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.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Martha Trust
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Independent auditors' report to the Members of Martha Trust (continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Martha Trust
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Independent auditors' report to the Members of Martha Trust (continued)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety, Care Quality Commission inspection reports and fundraising practices and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and taxation legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety, Care Quality Commission inspection reports and fundraising practices) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

Martha Trust

(A company limited by guarantee)

Independent auditors' report to the Members of Martha Trust (continued)

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

A handwritten signature in blue ink that reads "Kreston Reeves LLP". The signature is enclosed in a light blue rectangular box.

Samantha Rouse FCCA DChA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Statutory Auditor

Chartered Accountants

Canterbury

22 August 2024

Martha Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	275,138	67,298	342,436	306,849
Charitable activities	4	6,210,067	-	6,210,067	6,084,018
Other income	5	21,063	-	21,063	9,983
Total income		6,506,268	67,298	6,573,566	6,400,850
Expenditure on:					
Raising funds	6	243,277	-	243,277	154,091
Charitable activities	7	6,737,282	44,722	6,782,004	6,310,798
Total expenditure		6,980,559	44,722	7,025,281	6,464,889
Net movement in funds		(474,291)	22,576	(451,715)	(64,039)
Reconciliation of funds:					
Total funds brought forward		4,460,588	612,960	5,073,548	5,137,587
Net movement in funds		(474,291)	22,576	(451,715)	(64,039)
Total funds carried forward		3,986,297	635,536	4,621,833	5,073,548

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

The notes on pages 25 to 44 form part of these financial statements.


Martha Trust
(A company limited by guarantee)
Registered number: 03467406

Balance sheet
As at 31 December 2023

	Note	2023 £	As restated 2022 £
Fixed assets			
Tangible assets	11	4,691,045	4,753,318
		<u>4,691,045</u>	<u>4,753,318</u>
Current assets			
Debtors	12	484,075	656,831
Cash at bank and in hand		600,078	754,768
		<u>1,084,153</u>	<u>1,411,599</u>
Creditors: amounts falling due within one year	13	(586,081)	(468,458)
Net current assets		<u>498,072</u>	943,141
Total assets less current liabilities		<u>5,189,117</u>	5,696,459
Creditors: amounts falling due after more than one year	14	(567,284)	(622,911)
Total net assets		<u><u>4,621,833</u></u>	<u><u>5,073,548</u></u>
Charity funds			
Restricted funds	16	635,536	612,960
Unrestricted funds			
Designated funds	16	3,278,389	3,272,715
General funds	16	503,773	983,738
Revaluation reserve		204,135	204,135
Total unrestricted funds	16	<u>3,986,297</u>	4,460,588
Total funds		<u><u>4,621,833</u></u>	<u><u>5,073,548</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Roger Walton
Chairman
Date: 22 August 2024

The notes on pages 25 to 44 form part of these financial statements.

Martha Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	19	98,641	51,313
Cash flows from investing activities			
Dividends, interests and rents from investments		(24,047)	(28,628)
Purchase of tangible fixed assets		(171,443)	(72,966)
Net cash used in investing activities		(195,490)	(101,594)
Cash flows from financing activities			
Repayments of borrowing		(57,841)	(252,609)
Net cash used in financing activities		(57,841)	(252,609)
Change in cash and cash equivalents in the year		(154,690)	(302,890)
Cash and cash equivalents at the beginning of the year		754,768	1,057,658
Cash and cash equivalents at the end of the year	20	600,078	754,768

The notes on pages 25 to 44 form part of these financial statements

Martha Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

1. General information

Martha Trust is a charity, limited by guarantee, domiciled in England and Wales, registration number 03467406.

The registered office is Homemead Lane, Hacklinge, Deal, Kent, CT14 0PG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Martha Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'trust and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities; Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity's functional currency is Pounds Sterling.

The charity's financial statements are presented to the nearest pound.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Martha Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either; the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor;s intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Martha Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

2.6 Going concern

The charity has a net deficit of £451,715 during the year ended 31 December 2023. The adverse impact of underfunding from our major funding authorities and high staff vacancies resulting in substantial agency cost were a cause of concern for the majority of 2023, however these issues have now largely been addressed. Work is in hand to mitigate these issues and, as a consequence, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.7 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised.

Tangible fixed assets are carried at cost or deemed cost, net of depreciation and any provision for impairment. Deemed cost represents the fair value of certain freehold properties owned by the charity, at the date of transition to FRS 102, 1 January 2014. Under the cost mode, freehold property will not be subject to further valuations.

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Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is not charged on freehold land. Depreciation is provided from when assets become available for use at rates calculated to write off the cost or deemed cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Motor vehicles	- 20% straight line
Fixtures and fittings	- 10% - 20% straight line
Freehold land	- not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Creditors and provisions

Creditors and provisions are recognised when the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2.14 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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Notes to the financial statements
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2. Accounting policies (continued)

2.15 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements required the Trustees to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results from the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgement has had the most significant impact on the amounts recognised in the financial statements:

The charity has recognised tangible fixed assets with a carrying value of £4,691,045 at the reporting date (see note 11). These assets are stated at their cost less provision for depreciation and impairment. The charity's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired (see note 2.8). For material assets such as land and buildings the charity determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the charity undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the charity's forecasts for the foreseeable future which do not include any restructuring activities that the charity is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

2.16 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

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Notes to the financial statements
For the year ended 31 December 2023

3. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	275,138	17,116	292,254	264,945
Grants	-	50,182	50,182	41,904
Total 2023	<u>275,138</u>	<u>67,298</u>	<u>342,436</u>	<u>306,849</u>
Total 2022	<u>247,071</u>	<u>59,778</u>	<u>306,849</u>	

4. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Residential and day care fees	6,210,067	-	6,210,067	6,026,230
Covid-19 fees	-	-	-	57,788
	<u>6,210,067</u>	<u>-</u>	<u>6,210,067</u>	<u>6,084,018</u>
Total 2022	<u>6,026,230</u>	<u>57,788</u>	<u>6,084,018</u>	

5. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other	21,063	21,063	9,983
	<u>21,063</u>	<u>21,063</u>	<u>9,983</u>
Total 2022	<u>9,983</u>	<u>9,983</u>	

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Notes to the financial statements
For the year ended 31 December 2023

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Events and publicity costs	44,757	44,757	50,348
Events and publicity costs - gift in kind	69,700	69,700	-
Legal and professional	2,431	2,431	2,287
General office costs	2,186	2,186	2,778
Maintenance/Utilities/Sundry	1,911	1,911	1,892
Salaries to generate income	122,292	122,292	96,786
Total 2023	<u>243,277</u>	<u>243,277</u>	<u>154,091</u>
Total 2022	<u>154,091</u>	<u>154,091</u>	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	As restated Total 2022 £
Residential and day care costs	6,737,282	44,722	6,782,004	6,310,798
Total 2022 as restated	<u>6,183,340</u>	<u>127,458</u>	<u>6,310,798</u>	

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Notes to the financial statements
For the year ended 31 December 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Residential and day care costs	6,198,827	583,177	6,782,004	6,310,798
Total 2022	5,755,453	555,345	6,310,798	

Analysis of direct costs

	Residential and day care 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	4,051,056	4,051,056	3,601,651
Depreciation	213,374	213,374	207,549
Establishment costs	1,934,397	1,934,397	1,946,253
Total 2023	6,198,827	6,198,827	5,755,453
Total 2022	5,755,453	5,755,453	

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Notes to the financial statements
For the year ended 31 December 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Residential and day care 2023 £	Total funds 2023 £	Total funds 2022 £
Wages and salaries	455,229	455,229	447,386
Depreciation	17,241	17,241	17,953
Establishment costs	75	75	29
Travel and subsistence	5,112	5,112	7,924
Insurance	5,780	5,780	2,475
Maintenance, cleaning and repairs	13,784	13,784	14,153
Print, post and stationery	2,961	2,961	1,988
Telephone and fax	2,032	2,032	1,478
Operating lease rentals and equipment	878	878	1,498
Staff training	3,328	3,328	10,234
General expenses	1,777	1,777	1,815
Bank charges and interest	3,135	3,135	1,867
IT Costs	836	836	2,255
Legal and professional fees	52,770	52,770	29,340
Publicity and communications	3,635	3,635	2,950
Governance costs	14,604	14,604	12,000
Total 2023	583,177	583,177	555,345

9. Net income/(expenditure)

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets:	230,439	225,502
- owned by the charity		
Auditors' remuneration - audit	12,276	12,000
Operating lease rentals	878	1,498

During the year, no Trustees received any remuneration (2022: £NIL).

During the year, no Trustees received any benefits in kind (2022: £NIL).

One Trustees received a reimbursement of travel expenses totalling £105 in the current year, (2022: £89 paid to one trustee).

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Notes to the financial statements
For the year ended 31 December 2023

10. Staff costs

	2023	2022
	£	£
Wages and salaries	4,154,053	3,743,271
Social security costs	363,743	337,285
Contribution to defined contribution pension schemes	110,781	65,267
	4,628,577	4,145,823

No termination payments were made during the year (2022: £Nil) included within wages and salaries.

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Employees	173	169

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	1

The total salaries received by key management personnel was £296,951 (2022: £277,405). Employer pension contributions were a total of £13,235 (2022: £11,291) and employer national insurance contributions were a total of £34,219 (2022: £30,044).

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Notes to the financial statements
For the year ended 31 December 2023

11. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2023	6,260,745	136,462	1,404,715	7,801,922
Additions	-	-	171,443	171,443
Disposals	-	-	(36,713)	(36,713)
At 31 December 2023	<u>6,260,745</u>	<u>136,462</u>	<u>1,539,445</u>	<u>7,936,652</u>
Depreciation				
At 1 January 2023	1,867,732	116,262	1,064,610	3,048,604
Charge for the year	116,168	5,043	109,404	230,615
On disposals	-	-	(33,612)	(33,612)
At 31 December 2023	<u>1,983,900</u>	<u>121,305</u>	<u>1,140,402</u>	<u>3,245,607</u>
Net book value				
At 31 December 2023	<u>4,276,845</u>	<u>15,157</u>	<u>399,043</u>	<u>4,691,045</u>
At 31 December 2022	<u>4,393,013</u>	<u>20,200</u>	<u>340,105</u>	<u>4,753,318</u>

Included in land and buildings is freehold land at a valuation of £716,575 (2022: £716,575), which is not depreciated.

The Charity has adopted a policy of deemed cost for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2023
	£
At cost:	6,056,610
At valuation: 1998 at open market value	204,135
	<u>6,260,745</u>

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Notes to the financial statements
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11. Tangible fixed assets (continued)

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2023	2022
	£	£
Cost	6,056,610	6,056,610
Accumulated depreciation	(1,798,704)	(1,690,252)
	<u>4,257,906</u>	<u>4,366,358</u>

12. Debtors

	2023	2022
	£	£
Trade debtors	444,611	556,109
Other debtors	8,754	10,933
Prepayments and accrued income	30,710	89,789
	<u>484,075</u>	<u>656,831</u>

13. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Barclays Mortgage	26,508	23,496
Charity Bank Loans	32,219	37,445
Trade creditors	163,036	118,032
Other taxation and social security	87,884	81,275
Other creditors	66,163	46,587
Accruals and deferred income	210,271	161,623
	<u>586,081</u>	<u>468,458</u>

Deferred income

Deferred income as at 1 January 2023 is £70,009. There have been resources deferred during the year of £68,802. £70,009 has been released relating to deferred income in previous years. The deferred income as at 31 December 2023 is therefore £68,802.

Deferred income is in relation to fees received in advance.

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Notes to the financial statements
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14. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Barclays Mortgage	80,933	104,320
Charity Bank Loans	486,351	518,591
	567,284	622,911

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023	2022
	£	£
Repayable by installments	337,107	358,931
	337,107	358,931

The Barclays Mortgage is secured by way of a charge over the charity's land and buildings at Martha House. The mortgage is repayable in installments until 2028 for £107,441. During the year, the mortgage bore interest at a flexible rate of 1% over the Barclays Base Rate.

Charity Bank holds a fixed legal charge over the freehold property that is Mary House in Hastings. The two loans are repayable by way of the following:

Charity Bank loan 2 is repayable in installments until 2033 and bears interest at a rate of 4.4%. The outstanding balance of this loan as at 31 December 2023 was £352,593.

Charity Bank loan 3 is repayable in installments until 2037 and bears interest at a rate of 4.4%. The outstanding balance of this loan as at 31 December 2023 was £165,976.

15. Prior year adjustments

A prior year adjustment has been recognised in relation to the allocation of Covid-19 expenditure between restricted funds and unrestricted funds. It was identified that the Covid expenditure in prior years should be allocated to the restricted fund for Local Authority grants in relation to Covid-19 and had been incorrectly allocated as unrestricted expenditure. Due to the material nature of the misallocation, the financial statements have been adjusted accordingly.

The adjustment has not impacted the surplus of the charity. The impact is a decrease to unrestricted expenditure by £39,421 and to increase restricted expenditure by £39,421 in the prior year, and an increase to unrestricted funds brought forward by £133,516 and to decrease restricted funds brought forward by £133,516 as at 1 January 2022.

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Notes to the financial statements
For the year ended 31 December 2023

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Unrestricted funds					
Designated funds					
Designated fixed asset fund	3,272,715	-	-	5,674	3,278,389
General funds					
General Funds	983,738	6,506,268	(6,980,559)	(5,674)	503,773
Revaluation reserve	204,135	-	-	-	204,135
	<u>1,187,873</u>	<u>6,506,268</u>	<u>(6,980,559)</u>	<u>(5,674)</u>	<u>707,908</u>
Total Unrestricted funds	<u>4,460,588</u>	<u>6,506,268</u>	<u>(6,980,559)</u>	<u>-</u>	<u>3,986,297</u>
Restricted funds					
Frances House	230,001	-	-	-	230,001
Mary House	350,000	-	-	-	350,000
Mary House ICT	2,278	-	-	-	2,278
Mary House Misc	6,620	1,527	(60)	-	8,087
Martha House	3,237	23	(3,260)	-	-
Deal Water Garden	-	2,750	(2,750)	-	-
Deal Staff Fund	2,890	50	(891)	-	2,049
Core Restricted	10,743	50,183	(30,606)	-	30,320
Frances House Misc	480	525	(465)	-	540
Staff Christmas Fund	1,035	3,490	(2,345)	-	2,180
Thera Trainer	-	6,750	-	-	6,750
Dave Poke Memorial Fund	3,100	-	-	-	3,100
Rainbow Table	2,576	2,000	(4,345)	-	231
	<u>612,960</u>	<u>67,298</u>	<u>(44,722)</u>	<u>-</u>	<u>635,536</u>
Total of funds	<u>5,073,548</u>	<u>6,573,566</u>	<u>(7,025,281)</u>	<u>-</u>	<u>4,621,833</u>

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Notes to the financial statements
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16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	As restated Income £	As restated Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
Designated fixed asset fund	3,160,190	-	-	112,525	3,272,715
General funds					
General Funds	1,148,735	6,283,284	(6,335,756)	(112,525)	983,738
Revaluation reserve	204,135	-	-	-	204,135
	<u>1,352,870</u>	<u>6,283,284</u>	<u>(6,335,756)</u>	<u>(112,525)</u>	<u>1,187,873</u>
Total Unrestricted funds	<u>4,513,060</u>	<u>6,283,284</u>	<u>(6,335,756)</u>	<u>-</u>	<u>4,460,588</u>
Restricted funds					
Frances House	230,556	10	(85)	-	230,481
Mary House	350,000	-	-	-	350,000
Mary House Vehicle	16,200	-	(16,200)	-	-
Mary House ICT	3,075	-	(797)	-	2,278
Mary House Misc	5,618	3,928	(2,926)	-	6,620
Martha House	2,314	1,771	(848)	-	3,237
Deal Staff Fund	2,862	205	(177)	-	2,890
Core Restricted	5,000	41,904	(36,161)	-	10,743
Staff Christmas Fund	-	2,785	(1,750)	-	1,035
Local Authority - Covid-19	-	57,788	(57,788)	-	-
Dave Poke Memorial Fund	3,100	-	-	-	3,100
Bladder Scanner	5,800	-	(5,800)	-	-
Rainbow Table	-	6,675	(4,099)	-	2,576
Deal Garden	-	2,500	(2,500)	-	-
	<u>624,525</u>	<u>117,566</u>	<u>(129,131)</u>	<u>-</u>	<u>612,960</u>
Total of funds	<u>5,137,585</u>	<u>6,400,850</u>	<u>(6,464,887)</u>	<u>-</u>	<u>5,073,548</u>

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16. Statement of funds (continued)

Designated fixed asset fund

This represents the book value of fixed assets less any associated liabilities and are not deemed to be freely available funds by the Trustees.

Designated build fund

The designated build fund represents the charity's own financial investment in the development of Mary House.

Frances House

In 2007 £230,000 was donated by the Development Trust towards the extension at Frances House which provided three new places. This donation carries a restriction for a period of 21 years and requires that those three new residents at Frances House must not have previously lived at any other Martha Trust home. The restriction is secured by way of a legal charge over the property. In the opinion of the Trustees this criteria will be met and the likelihood of having to repay the money is considered remote.

Mary House

(i) This fund includes a donation of land and buildings in Hastings from The Agape Trust in 2004. The use to which the land and buildings could be put was restricted by the original donors, Blatchington Court Trust. The restriction requires Martha Trust to provide homes for a period of 99 years and at any one time at least four residents must be people under 31 years, of whom at least two must be visually impaired. This restriction applies to Martha Trust as a whole and not to Mary House individually. If this restriction is breached £350,000 is repayable to Blatchington Court Trust. In the opinion of the Trustees this criteria will be met and the likelihood of having to repay the money is considered to be remote. These restrictions will be waived on Martha Trust meeting certain criteria.

(ii) The remainder of the fund represents ongoing donations we have been receiving for the benefit of Mary House.

Martha House

This fund represents ongoing donations we have been receiving for the benefit of Martha House.

Deal Water Garden

This fund represents donations made to fund a water feature garden at Martha House.

Deal Staff Fund

This fund is for donations received towards staff entertainment.

Core restricted

This fund has been set up to secure core funding for ongoing costs we face as a charity, such as specialist equipment, training and the cost of providing activities to our residents. Grants secured from multiple funder

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Staff Christmas Fund

This fund represents donations from families and Trustees for the purchase of gift cards.

COVID Funds

There are four funds that represent grants received to enable the charity to purchase necessary PPE and equipment during COVID-19.

Dave Poke Memorial Fund

Donations were raised in memory of the parent of one of the residents at Mary House. The family are considering use of the funds either towards a sensory garden or as a bursary for specialist training to support adults with PMLD.

Mary House Vehicle

We successfully fundraised for an adapted vehicle for our home in Hastings, Mary House. This vehicle now plays an integral role in our residents lives, enabling them to go out on an individual basis for medical appointments and trips out as an alternative to the use of the communal minibus.

Bladder Scanner

We successfully raised funds to purchase a bladder scanner and associated training that was needed. With the use of this diagnostic aid we will be able to scan and measure the volume of urine within the bladder so avoiding the use of unnecessary catheterization; reduce the rates of urinary tract infection due to incomplete emptying and help to manage incontinence. This piece of equipment will allow us to better support our residents health and wellbeing.

Rainbow Table

Our appeal, to purchase two Rainbow Tables for our Deal homes proved popular with funders. These interactive touch screen multipurpose tablets are the perfect addition to our activity offering at Martha. And, we successfully ended the year completing the appeal with two grants pending payment and one Rainbow Table purchased.

Deal Garden

A number of restricted monies were received for use to enhance our gardens at our Deal homes, raised through in memory donations and a grant to support a volunteer day by a team from Swiss Re.

Thera Trainer

The Thera Trainer is a piece of physio equipment with a range of benefits such as improved circulation, building muscle tone and bone density and improves the range of movement in residents arms and legs as well as being lots of fun to use.

Transfers

During the year, the Trustees have designated funds representing the book value of the fixed assets less any associated borrowings as these are not deemed to be freely available funds by the Trustees.

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17. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Designated funds	3,272,715	-	-	5,674	3,278,389
General funds	1,187,873	6,506,268	(6,980,559)	(5,674)	707,908
Restricted funds	612,960	67,298	(44,722)	-	635,536
	<u>5,073,548</u>	<u>6,573,566</u>	<u>(7,025,281)</u>	<u>-</u>	<u>4,621,833</u>

Summary of funds - prior year

	Balance at 1 January 2022 £	As restated Income £	As restated Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Designated funds	3,160,190	-	-	112,525	3,272,715
General funds	1,352,870	6,283,284	(6,335,756)	(112,525)	1,187,873
Restricted funds	624,525	117,566	(129,131)	-	612,960
	<u>5,137,585</u>	<u>6,400,850</u>	<u>(6,464,887)</u>	<u>-</u>	<u>5,073,548</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	4,108,766	582,279	4,691,045
Current assets	1,030,896	53,257	1,084,153
Creditors due within one year	(586,081)	-	(586,081)
Creditors due in more than one year	(567,284)	-	(567,284)
Total	<u>3,986,297</u>	<u>635,536</u>	<u>4,621,833</u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	4,160,702	592,616	4,753,318
Current assets	1,216,645	194,954	1,411,599
Creditors due within one year	(468,458)	-	(468,458)
Creditors due in more than one year	(622,911)	-	(622,911)
Total	4,285,978	787,570	5,073,548

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(451,715)	(64,039)
Adjustments for:		
Depreciation charges	230,615	225,503
Dividends, interests and rents from investments	24,047	28,628
Loss on the sale of fixed assets	3,101	2,532
Decrease/(increase) in debtors	172,756	(118,691)
Increase/(decrease) in creditors	119,837	(22,620)
Net cash provided by operating activities	98,641	51,313

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	600,078	754,768
Total cash and cash equivalents	600,078	754,768

Martha Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

21. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	754,768	(154,690)	600,078
Debt due within 1 year	(60,941)	2,214	(58,727)
Debt due after 1 year	(622,911)	55,627	(567,284)
	<u>70,916</u>	<u>(96,849)</u>	<u>(25,933)</u>

22. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £110,781 (2022: £65,267). Contributions totaling £17,748 (2022: £15,072) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 31 December 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	32,356	32,509
Later than 1 year and not later than 5 years	57,350	60,559
Later than 5 years	1,399	3,221
	<u>91,105</u>	<u>96,289</u>

24. Related party transactions

During the year ended 31 December 2023 donations totaling £1,345, plus Gift Aid totalling £225 (2022: £2,219) were received from Trustees.

25. Controlling party

The charity is a company limited by guarantee and was controlled throughout the year by the board of Trustees.