

**THE MARIE CELESTE SAMARITAN SOCIETY**  
**OF THE ROYAL LONDON HOSPITAL**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**(REGISTERED CHARITY NO. 212048)**

**THE MARIE CELESTE SAMARITAN SOCIETY**  
**OF THE ROYAL LONDON HOSPITAL**

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**THE MARIE CELESTE SAMARITAN SOCIETY**  
**OF THE ROYAL LONDON HOSPITAL**

**GENERAL INFORMATION**

<b>Trustees</b>	A.M.I. Paris (Chairman) D. J. Regan A. J. Scott-Barrett D.G. Thomas (Treasurer)
<b>Secretary</b>	C. J. Pitman
<b>Offices of the Society</b>	The Royal London Hospital Whitechapel London, E1 1BB
<b>Registered Charity Number</b>	212048
<b>Senior Statutory Auditor</b>	T P Curtis ACA FCCA
<b>Independent Auditors</b>	Barrow LLP Statutory Auditor Rae House Dane Street Bishops Stortford Herts, CM23 3BT
<b>Investment Advisors</b>	Walker Crips Stockbrokers Limited Old Change House 128 Queen Victoria Street London, EC4V 4BJ
<b>Bankers</b>	Coutts & Co 440 Strand London, WC2 0QS
<b>Legal Advisors</b>	Taylor Wessing LLP 5 New Street Square London, EC4A 3TW
<b>Insurers</b>	AXA Insurance UK Plc 5 Old Broad Street London, EC2N 1AD

**THE MARIE CELESTE SAMARITAN SOCIETY**  
**OF THE ROYAL LONDON HOSPITAL**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2018. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 2 effective from 5 October 2018).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The organisation is a Charitable Trust and is constituted by the Trust Deed.

### **Trustees**

The Trustees named on page 1 have served throughout the year; appointment of Trustees is governed by the Trust Deed of the Charity. The Trustees are authorised to appoint new Trustees to fill vacancies arising from resignation or death of an existing Trustee.

### **Risk Statement**

The Trustees review all aspects of the Society's finances and will take what action is appropriate to protect the Society's financial status. The risk statement is reviewed annually, or more frequently should the need arise.

## **OBJECTS AND ACTIVITIES**

### **Purpose and Aims**

Our charity's purposes are to provide and administer such relief and aid for patients at, or who have been discharged from, The Royal London Hospital, that does not fall within the scope of the National Health Service. Its administration is delegated by the Trustees to the Management Committee and its Secretary.

The policy of The Charitable Trust is to continue to render assistance to as many patients as possible and is undertaken to further our charitable purposes for the public benefit.

### **Ensuring our work delivers our aims**

We review our aims, objectives and outcomes each year. This review looks at the success of each key activity and the benefits they have brought to those groups of people we help. The review also enables us to ensure our aim, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to aims and objectives they have set.

The Trustees are actively seeking to make grants to local organisations that render assistance to patients of The Royal London Hospital - a condition for being considered for a grant. The Trustees take this responsibility seriously and will only sanction a grant providing that adequate and sufficient information is obtained in support of such an application.

**THE MARIE CELESTE SAMARITAN SOCIETY**  
**OF THE ROYAL LONDON HOSPITAL**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

**ACHIEVEMENTS AND PERFORMANCE**

All our charitable activities focus on providing care and support for patients at, or who have been discharged from, The Royal London Hospital that is deemed to be outside the scope of the National Health Service. It includes direct support for individuals or groups of patients or grants to organisations that provide care for them. We also make grants to support developments in clinical care that directly benefit patients.

During 2018, the Society spent £22,768 (2017 - £35,376) to assist patients on 84 occasions (2017 - 142 occasions).

The Society also made grants of £84,997 (2017 - £64,451) to local organisations who support Royal London Hospital patients.

<b><u>The Tower Hamlets Mission</u></b>	£27,725	(2017 - £20,000)
<b><u>The City and East London Bereavement Service</u></b>	£5,000	(2017 - £10,000)
<b><u>The Griffin Community Trust</u></b>	£7,500	(2017 - £6,000)
<b><u>The League of Nurses</u></b>	£5,000	(2017 - £5,000)
<b><u>Providence Row Charity</u></b>	£39,772	(2017 - £23,451)

The Providence Row "Routes to Roots" project works with the Hospital Pathways Team at the Royal London Hospital to prevent homeless patients being discharged from hospital back onto the streets.

This project continues to reduce both length of stay of patients and re-admission rates making beds available for others.

<b><u>James Hora Home</u></b>	£80,000	(2017 - £80,000)
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The James Hora Home, which provides accommodation for self-caring patients and relatives of patients, had 832 guests (2017 - 780) whose average stay was five days in 2018. £32,195 (2017 - £36,605) was donated by patients and relatives who stayed in the Home during the year which contributed towards the annual grant made by the Society to the NHS Trust.

The Trustees are very aware of the need for this facility to continue. There is a lease on Horace Evans House, where the James Hora Home is located, that the NHS Trust has, which does not expire until 2026, and the current owners (Greenoak) currently do not have the ability to break this lease - in which case the current facility could still be operational for a further seven years. However, the owners of Horace Evans House have applied for planning permission and could need the building by 2021, in which case they would be required to provide alternative accommodation to house the current facility. The NHS Trust are very keen for the facility to continue, as are many of the patients and relatives who have a need to stay in the home.

As indicated in the 2017 Trustees' Report, substantial funding would be required to re-establish the James Hora Home, providing that a suitable location can be sought. The Home is still the Society's flagship, and has assisted over 35,000 patients and relatives in the 38 years in providing a much needed and valued haven for self-caring patients and relatives. This is borne out by the comments left in the visitors' book, and from donations left by grateful residents.

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**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

Towards the year-end the Trustees met to discuss the following matters:

**TRUST DEED (GOVERNING DOCUMENT)**

The Trustees have noted that the current Trust Deed was established in 1924 and that the governance structure set out in that Deed is out of line with current recommended practice. It has therefore been agreed that the legal status of the Society, and its governance arrangements, should be reviewed and legal advice taken as to what changes are appropriate.

**INDIVIDUAL GRANTS TO PATIENTS**

The Trustees are currently considering whether a trusted local charity would be willing and able to administer grants to individual patients, in addition to those given directly by the Society. This may result in an increase to the amount granted for the relief (at least in part) of hardship when patients are discharged from the Hospital.

**FINANCIAL REVIEW**

The Society has set out Financial Statements in accordance with the current Statement of Recommended Practice (SORP). In the opinion of the Trustees there are sufficient funds to permit the Society to operate in the long term.

**Reserves policy**

At the year-end the Society's assets amounted to £13,892,685 (2017 - £14,431,298). The decrease in the value of the Society's reserves is the result of net losses of £689,845 (2017 - £814,453 profit) in the value of the Society's investments. Because the Society receives no direct funding and does not carry out fundraising activities, it relies on its investments to provide its income.

Investments form a significant part of the Society's reserves and, as stated below, are managed by an independent investment manager. The management committee delegates the responsibility for overseeing the activities of the investment manager to an investment sub-committee, which set targets and guidelines as a framework within which the investments should be managed. The investments are managed cautiously, with the principal objective of maximising the potential yield whilst protecting the value of the capital investment.

At the year-end £1,746,632 (2017 - £1,216,014) was held on deposit, of which £1,052,200 (2017 - £812,765) was held by the investment manager for future investment.

The remaining sum of £694,432 (2017 - £403,249) was held on deposit, to be used for charitable activities and objects providing they came within the Society's remit.

**Investment policy**

The Trust Deed authorises the Trustees to make and alter investments using the Common Investment Fund of the charity. Investments are currently managed by an independent professional fund manager with an appropriate nominee company.

The objectives set for the fund manager for the year were as follows:

Target annual income of at least £400,000, and a total return (after fees) over rolling 3-year periods and longer at least 3%pa greater than CPI inflation over the corresponding periods. The performance of the portfolio is also measured against an arbitrary benchmark of 52.5% UK equities, 20% overseas equities, 25% UK fixed interest and 2.5% cash.

**THE MARIE CELESTE SAMARITAN SOCIETY**  
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**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

Over this past year, as in previous years, the portfolio generated income in excess of the target set by the Investment Sub Committee. The total return achieved by the portfolio was -1.9% over the year which, whilst negative, was considered satisfactory in the light of market conditions during the year. This resulted in an annualised return on the portfolio over the 5 years to 31<sup>st</sup> December 2018 of 6.7%pa, well in excess of the rate of inflation over the period. The fund manager complied with general guidance on asset mix for investments and cash sums held and the Trustees consider that there is no reason currently to consider a change in fund management arrangements.

**PLANS FOR FUTURE**

The Charity plans to continue the activities outlined above in the months and years ahead, having consideration to available funds to meet its objectives.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 principals in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware, and each Trustee has taken all the steps that he ought to have taken as a Trustee in order to make himself aware of any audit information and to establish that the Society's auditors are aware of that information.

This report was approved by the Trustees on the **23<sup>rd</sup> May 2019** and signed on their behalf

**SIGNED**

**A. M. I. Paris O.St.J F.R.C.S.**  
**Trustee and Chairman of the Management Committee**

**THE MARIE CELESTE SAMARITAN SOCIETY**  
**OF THE ROYAL LONDON HOSPITAL**

**AUDITORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

**Independent Auditor's Report to the Trustees of The Marie Celeste Samaritan Society of The Royal London Hospital**

**Opinion**

We have audited the financial statements of The Marie Celeste Samaritan Society of The Royal London Hospital (the 'charity') for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charity's affairs as at 31 December 2018, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Continued...



**THE MARIE CELESTE SAMARITAN SOCIETY**  
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**AUDITORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 set out on page 5, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Continued....

**THE MARIE CELESTE SAMARITAN SOCIETY**  
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**AUDITORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 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 on the effectiveness of the charity'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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the charity 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Barrow LLP  
Statutory Auditor  
Rae House, Dane Street  
Bishops Stortford  
Herts CM23 3BT

Date:

*Barrow LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*

**THE MARIE CELESTE SAMARITAN SOCIETY**  
**OF THE ROYAL LONDON HOSPITAL**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018**

		Unrestricted 2018	Unrestricted 2017
	Note	£	£
<b>Income from:</b>			
Donations and legacies	6	34,307	36,729
Investments	7	453,034	538,951
<b>Total income</b>		<u>487,341</u>	<u>575,680</u>
<b>Expenditure on:</b>			
Raising funds:	8		
Investment management costs		40,888	40,457
Other		2,700	2,790
Charitable activities:			
Grants payable	9	122,948	161,123
Directly provided services	10	117,993	119,349
Other expenditures	12	51,580	60,068
<b>Total expenditure</b>		<u>336,109</u>	<u>383,787</u>
Net gains/(losses) on investments	18	(689,845)	814,453
<b>Net income/(expenditure)</b>		<u>(538,613)</u>	<u>1,006,346</u>
<b>Net movement in funds</b>		<u>(538,613)</u>	<u>1,006,346</u>
<b>Reconciliation of funds:</b>			
Total funds brought forward		14,431,298	13,424,952
<b>Total funds carried forward</b>		<u><u>13,892,685</u></u>	<u><u>14,431,298</u></u>

All of the above results relate to continuing activities. The notes on pages 10 to 19 form part of these financial statements.

**THE MARIE CELESTE SAMARITAN SOCIETY**  
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**BALANCE SHEET AS AT 31 DECEMBER 2018**

		2018	2017
	Note	£	£
<b>FIXED ASSETS</b>			
Tangible assets	16	127,403	159,254
Investments	17	11,937,756	12,918,826
		<u>12,065,159</u>	<u>13,078,080</u>
<b>CURRENT ASSETS</b>			
Debtors	19	85,079	102,199
Cash at bank:			
Deposit accounts	20	694,432	403,249
Current accounts		18,373	57,395
Walker Crips Stockbrokers Ltd		1,052,200	812,765
		<u>1,850,084</u>	<u>1,375,608</u>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	21	22,558	22,390
<b>NET CURRENT ASSETS</b>		<u>1,827,526</u>	<u>1,353,218</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,892,685</u>	<u>14,431,298</u>
<b>NET ASSETS</b>		<u>13,892,685</u>	<u>14,431,298</u>
<b>The funds of the charity:</b>			
Common Investment Fund		<u>13,892,685</u>	<u>14,431,298</u>

The financial statements were approved by the Trustees on the **23 May 2019** and signed on their behalf:

A.M.I. Paris - Trustee ..... D. J. Regan - Trustee .....

D.G. Thomas - Trustee ..... A. J. Scott-Barrett - Trustee .....

The notes on pages 11 to 19 form part of these financial statements.

**THE MARIE CELESTE SAMARITAN SOCIETY**  
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**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018	2017
	Note	£	£
<b>Cash flow from operating activities</b>	23	(252,663)	(395,511)
Interest paid		-	-
<b>Net cash flow from operating activities</b>		<u>(252,663)</u>	<u>(395,511)</u>
 <b>Cash flow from investing activities</b>			
Payments to acquire investments	17	(730,369)	(602,137)
Receipts from sales of investments	17,18	1,021,594	449,818
Investment income received	7	453,034	538,951
<b>Net cash flow from investing activities</b>		<u>744,259</u>	<u>386,632</u>
 <b>Net increase/(decrease) in cash and cash equivalents</b>		491,596	(8,879)
 <b>Cash and cash equivalents at 01/01/2018</b>		1,273,409	1,282,288
 <b>Cash and cash equivalents at 31/12/2018</b>		<u><u>1,765,005</u></u>	<u><u>1,273,409</u></u>
 <b>Cash and cash equivalents consist of:</b>			
Cash at bank:			
Deposit accounts	20	694,432	403,249
Current accounts		18,373	57,395
Walker Crips Stockbrokers Ltd		1,052,200	812,765
 <b>Cash and cash equivalents at 31/12/2018</b>		<u><u>1,765,005</u></u>	<u><u>1,273,409</u></u>

The notes on pages 12 to 19 form part of these financial statements.

**THE MARIE CELESTE SAMARITAN SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2018**

**1. COMMITTEE OF MANAGEMENT**

The members of the Committee of Management act as trustees of The Common Investment Fund; this was achieved by a sealed scheme from The Charity Commission dated 9<sup>th</sup> May 2008. The scheme allows the combining of all funds and monies of the Society including financial records.

The funds that were combined into the Common Investment Fund are as follows:

- The General Fund
- The Consolidated Charitable Trust General Fund
- The Consolidated Charitable Trust Past and Present Nurses' Fund
- The Anonymous Fund for Convalescence and Upkeep of Homes
- The Staff Pension Fund

**2. COMMON INVESTMENT FUND**

The following funds are included as part of the Common Investment Fund of the Society:

- The Hebrew Trust Fund
- The Charrington Memorial Fund
- The Robert McWharrie Fund

**3. STATUTORY INFORMATION**

The Charity constitutes a public benefit entity as defined by FRS102 and is registered by The Charity Commission of England and Wales under a Trust Deed. The charity's registered number and registered office can be found on the general information page. The presentation currency of the financial statements is the Pound Sterling (£).

**4. ACCOUNTING POLICIES**

**a) Basis of preparation of accounts**

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at mid-market value excluding dividends. The financial statements have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 2 and published on 5 October 2018), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

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 true and fair view. This departure has involved following the 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) issued 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 significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**THE MARIE CELESTE SAMARITAN SOCIETY**  
**OF THE ROYAL LONDON HOSPITAL**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2018**

**b) Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Subscriptions and deposit interest are credited when due, voluntary income, donations and legacies when received.

**c) Structure of funds**

Unrestricted income funds comprise those funds where the donor has not issued a specific request for which the funds should be used. These funds may then be used for any purpose in furtherance of the charitable objects. Unrestricted funds can include designated funds where a donor may have made a non-binding request, or the Trustees have created a fund for a specific purpose.

Where there is a legal restriction, or one imposed by the donor on the purpose to which funds may be put, they are treated as restricted funds. Funds where the capital is held to generate income for charitable purposes and cannot themselves be spent are accounted for as endowment funds. The charity had no endowment funds during the financial year to 31 December 2018. Other funds are classified as unrestricted funds.

**d) Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

It is the Society's policy to allow one year from the date of approval for grants to be claimed. If the grants are not claimed within this time limit then they are withdrawn.

**e) Support and governance costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources. An allocation of 70% to grants payable and 30% to directly provided services has been used.

**f) Management and administration expenditure**

Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activity. This includes the day to day running of the charity, audit fees and administrative staff salaries.

**g) Fixed assets investments**

Investment of quoted stocks and shares are included in the balance sheet at market value, ex-dividend.

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**h) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated on the difference between sale proceeds and opening market value (or date of purchase if later). Unrealised gains and losses on investments are calculated as the difference between market value at the year-end and opening market value (or date of purchase if later).

In accordance with the new SORP 2015 (FRS102), the net gains and losses are shown under the heading for expenditure.

**i) Fixed assets**

The Society capitalises fixed assets, other than investments, at historical cost. Depreciation is calculated to write off the cost of the asset over its useful economic life as follows:

Horace Evans House – over the term of the agreement.

**j) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**k) Going concern**

The trustees consider that there are no material uncertainties about the Society's ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

**5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

With respect to the next reporting period 2019, the most significant area of uncertainty that affects the carrying value of assets held by the Society are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

**6. DONATIONS AND LEGACIES**

	<b>Unrestricted</b>	<b>Unrestricted</b>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Donations	32,195	36,605
Legacies	2,000	-
Annual subscriptions	112	124
	<u>34,307</u>	<u>36,729</u>



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**7. INVESTMENTS**

	<b>Unrestricted 2018 £</b>	<b>Unrestricted 2017 £</b>
Investment income	451,553	537,263
Deposit interest	1,481	1,688
	<hr/> 453,034 <hr/>	<hr/> 538,951 <hr/>

**8. RAISING FUNDS**

	<b>Unrestricted 2018 £</b>	<b>Unrestricted 2017 £</b>
Investment management costs		
Portfolio management fees	40,888	40,457
Safe custody fees	2,700	2,790
	<hr/> 43,588 <hr/>	<hr/> 43,247 <hr/>

**9. GRANTS PAYABLE**

	<b>Unrestricted 2018 £</b>	<b>Unrestricted 2017 £</b>
Grants to other organisations	84,997	64,451
HPB Specialist Nurse	-	41,373
Past & present nurses fund	3,280	3,277
Assistance with fares	-	432
Clothing fund	650	2,190
Samaritan help	22,118	32,754
Respiratory Medicine (Spiro Meters)	-	3,240
	<hr/> 111,045 <hr/>	<hr/> 147,717 <hr/>
Supports costs	11,903	13,406
	<hr/> 122,948 <hr/>	<hr/> 161,123 <hr/>
Of the above:		
Grants to individuals totalled	<hr/> 22,768 <hr/>	<hr/> 35,376 <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. DIRECTLY PROVIDED SERVICES**

	<b>Unrestricted 2018 £</b>	<b>Unrestricted 2017 £</b>
James Hora Home	81,041	81,754
Support costs	36,952	37,595
	<u>117,993</u>	<u>119,349</u>

**11. ALLOCATION OF SUPPORT COSTS**

	<b>Unrestricted Grants Payable £</b>	<b>Unrestricted Directly Provided Services £</b>	<b>Unrestricted Total 2018 £</b>
Self-employed payment	11,023	4,724	15,747
Amortisation, JHH	-	31,851	31,851
Postage, printing and stationery	450	193	643
Insurance	277	119	396
Office equipment	76	33	109
Miscellaneous expenses	77	32	109
	<u>11,903</u>	<u>36,952</u>	<u>48,855</u>

**12. OTHER EXPENDITURE**

	<b>2018 £</b>	<b>2017 £</b>
Past employee pensions	37,469	45,489
Auditors remuneration	7,170	7,170
Annual meeting costs	92	113
Bank charges	849	816
Investment performance review fees	5,760	6,480
Payroll preparation fee	240	-
	<u>51,580</u>	<u>60,068</u>

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**13. NET INCOME / (EXPENDITURE) FOR THE YEAR**

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
Net income / (expenditure) for the year is stated after charging:		
Auditors – Audit fees	<u>7,170</u>	<u>7,170</u>
Auditors – Other fees	<u>240</u>	<u>240</u>

**14. TRUSTEES' AND OTHER KEY STAFF REMUNERATION AND EXPENSES**

The trustees neither received nor waived any remuneration during the year (2017 - Nil).

The trustees did not have any expenses reimbursed during the year (2017 - Nil).

The total remuneration of the key management member in 2018 (including salaries and other benefits) was £35,300 (2017 - £37,214).

**15. STAFFING COSTS (INCLUDING SELF-EMPLOYED)**

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
Past employee pensions	37,469	45,489
Self-employment costs	<u>15,747</u>	<u>17,738</u>
	<u>53,216</u>	<u>63,227</u>

No employee received emoluments in excess of £60,000 per annum.

The average number of employees was:	<u>Nil</u>	<u>Nil</u>
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**16. TANGIBLE FIXED ASSETS**

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
<b>Horace Evans House</b>		
Cost brought forward	<u>627,626</u>	<u>627,626</u>
Cost carried forward	<u>627,626</u>	<u>627,626</u>
Amortisation brought forward	468,372	436,521
Charge for the year	31,851	31,851
Amortisation carried forward	<u>500,223</u>	<u>468,372</u>
Net book value as at 31 December 2018	<u>127,403</u>	<u>159,254</u>
Net book value as at 31 December 2017	<u>159,254</u>	<u>191,105</u>

The above represents the society's capital contribution to the NHS Trust for the refurbishment of Horace Evans House.

**THE MARIE CELESTE SAMARITAN SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2018**

**17. FIXED ASSET INVESTMENTS**

**QUOTED INVESTMENTS**

There were no investments representing more than 5% of the total portfolio value.

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Historical cost as at 31.12.18		
Common Investment Fund	<u>6,707,145</u>	<u>6,728,239</u>

All investments are held within the UK.

	Opening MV at 01.01.18 £	Disposals at OMV £	Additions at Cost £	Net Loss on Revaluation at 31.12.18 £	Closing MV at 31.12.18 £
Common Investment Fund	<u>12,918,826</u>	<u>(997,820)</u>	<u>730,369</u>	<u>(713,619)</u>	<u>11,937,756</u>

**18. GAINS/LOSSES ON DISPOSAL OF INVESTMENTS & UNREALISED GAINS/LOSSES  
ON REVALUATION**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Gains on sale of investments	106,211	47,104
Losses on sale of investments	(82,437)	(6,415)
	<u>23,774</u>	<u>40,689</u>
Unrealised gains on revaluation	262,954	1,101,604
Unrealised losses on revaluation	(976,573)	(327,840)
	<u>(713,619)</u>	<u>773,764</u>
Net gains/(losses) on sale of investments and revaluation	<u>(689,845)</u>	<u>814,453</u>

**19. DEBTORS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Accrued investment income	84,338	101,896
Interest receivable	371	73
Annual subscriptions	10	20
Donations	310	-
Income tax (Gift Aid)	50	210
	<u>85,079</u>	<u>102,199</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. DEPOSIT ACCOUNTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Common Investment Fund	623,065	332,068
James Hora Home	71,367	71,181
	<u>694,432</u>	<u>403,249</u>

**21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Auditors remuneration	7,170	7,170
Due to other funds	376	376
Samaritan help	1,200	600
PAYE & NI	-	1,057
Safe custody fees	1,335	1,380
Portfolio management fees	10,102	10,299
Bank charges	119	68
Investment performance fees	1,440	1,440
Postage	20	-
Stationery	9	-
Self Employed Payment	724	-
James Hora Home	63	-
	<u>22,558</u>	<u>22,390</u>

**22. RELATED PARTY TRANSACTIONS**

There are no related party transactions during the year (2017 - Nil).

**23. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net (loss) / income for year	(538,613)	1,006,346
Investment income received	(453,034)	(538,951)
Depreciation / amortisation and impairment of fixed assets	31,851	31,851
Loss / (gains) on investments	689,845	(814,453)
(Increase) / decrease in debtors	17,120	(26,602)
Increase / (decrease) in creditors	168	(53,702)
Net cash flow from operating activities	<u>(252,663)</u>	<u>(395,511)</u>

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**JAMES HORA HOME**  
**YEAR ENDED 31 DECEMBER 2018**

<b>EXPENDITURE</b>	<b>2018 £</b>	<b>2017 £</b>
Contribution towards expenses incurred by The Royal London Hospital	80,000	80,000
Aquarium maintenance & fish	-	112
Bed, mattress & bedding	-	710
Crockery	28	-
Dishwasher	435	-
Fridge repair & call out	-	147
Kettle	17	30
Microwave	59	-
Shower seal & waste	-	57
Steam cleaner	-	50
Television	275	-
Miscellaneous	227	648
	<u>81,041</u>	<u>81,754</u>
<b>FUNDED BY</b>		
Common Investment Fund	81,041	81,754
	<u>81,041</u>	<u>81,754</u>