

Registered number: NI037376
Charity number: NIC101830

THE MARTIN RESIDENTIAL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



THE MARTIN RESIDENTIAL TRUST
(A company limited by guarantee)

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THE MARTIN RESIDENTIAL TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees	Nigel McFarland Peter Grattan Dawn Bowers Lisa McFarland Robert Greer Timothy Martin James Martin, Chairman
Company registered number	NI037376
Charity registered number	NIC101830
Registered office	48 Ballyclare Road Glengormley BT36 5HL
Chief executive officer	Nigel McFarland
Independent auditors	UHY Hacker Young Fitch Limited Statutory Auditors & Chartered Accountants 27-29 Gordon Street Belfast Antrim BT1 2LG
Bankers	Danske Bank Limited 39 Mallusk Road Newtownabbey BT36 4PP
Solicitors	Campbell Stafford Solicitors 19-21 Station Street Belfast BT3 9DA

THE MARTIN RESIDENTIAL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the charity for the 1 January 2020 to 31 December 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company'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 (FRS102) (effective 1 January 2019).

Structure, governance and management

a. Constitution

The Martin Residential Trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 15th November 1999.

The charitable company is a registered charity with the Charity Commission in Northern Ireland under number NIC101830 and is recognised as a charity by HMRC, number XN79517.

b. Methods of appointment or election of Trustees

As required on an ad hoc basis the board members discuss the appointment of potential new members for appointment to the board. Suitable people are approached and if they are willing to serve on the board, their nomination is put forward for approval by the board. There is no maximum term of office.

c. Organisational structure and decision-making policies

The board is responsible for the review of all activities and approval of future strategy. Meetings of the board are held a minimum of three times per annum. The general manager is responsible for all day to day matters.

d. Financial 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 exposure to the major risks.

Plans for future periods

The company intends to build a small facility for the benefit of profoundly disabled people at some point in the future, and have invested designated funds for this purpose. At the moment there are no definite plans or commitments in place to build this new unit.

Objectives and activities

a. Policies and objectives

The objectives of the company continued to be that of providing loving care to people with profound learning disabilities, which is achieved through the running of a care facility in Glengormley.

b. Strategies for achieving objectives

The Martin Residential Trust provides 24 hour nursing care and support to people with profound and in many cases multiple physical disabilities at our care facility in Glengormley. We are experienced in supporting people who have conditions such as epilepsy, Alzheimer's disease, autistic spectrum disorder, Down's syndrome, cerebral palsy, dysphasia and musculoskeletal disorders.

THE MARTIN RESIDENTIAL TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Within the Martin Residential Trust, we are able to provide a safe, supportive and caring environment for vulnerable people. There is always a qualified nurse on duty and we provide a high level of staffing in order that we can appropriately support people who have complex needs. We have suitable facilities to assist people who have physical disabilities, including overhead hoists and accessible transport. We also support people to take part in a full activity programme that is suited to their individual needs. Activities can range from arts and crafts, cookery, sensory activities, hydrotherapy sessions and physiotherapy and the person's activity plan is suited to their assessed individual needs. Our wide range of facilities and our breadth of experience mean that we are able to be very responsive to changes in a person's needs or health.

d. Public benefit declaration

The direct public benefit which flows from our purpose is the provision of accommodation and nursing care for people living in Northern Ireland who have profound learning disabilities.

e. Main activities undertaken to further the charity's purposes for the public benefit

The provision of 24 hour nursing care and support to those people living in Northern Ireland throughout the year who have profound learning disabilities is of direct benefit to the public. These benefits can be demonstrated through, feedback from users and their relatives, nursing and medical assessment of health outcomes, and independent evaluation by regulatory bodies.

In providing nursing care there is a risk associated with administering prescribed medical treatments such as medicines aimed at treating health conditions. These risks are medically assessed and are outweighed by the benefits to the service user. Those administering or working for the organisations may incidentally benefit from our purpose if their relative receives nursing care. In such cases the relative must fulfill the requirements of admission and will not receive preferential treatment.

THE MARTIN RESIDENTIAL TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Strategic report

Achievements and performance

a. Review of activities

The results for the year are set out in the attached financial statements. The results and the financial position were considered satisfactory by the Trustees.

Financial review

a. Going concern

At the current time the UK is in the midst of the COVID-19 pandemic, which has introduced challenges and restrictions on all aspects of our daily lives. The trustees have taken all precautions necessary to ensure the health and safety of all of our residents, staff and members of the public.

Given the uncertainty of when current UK Government COVID-19 containment measures will cease, it is likely we will continue to experience restrictions in activity. The Charity has sought to mitigate the effect of the necessary restrictions on activity by seeking to preserve cash and making use of the Coronavirus Job Retention Scheme. While we continue to operate within our bank facilities, currently we do not anticipate the need to avail of further support mechanisms.

COVID-19 is expected to have a significant impact on activities for the remainder of 2021. However, we are confident that The Trustees have taken all actions possible to mitigate the impact on the charity. The Trustees have considered the impact of COVID-19 on the Charity's financial performance and cash flows. The Charity anticipates it will operate within its facilities and meet its obligations as they fall due. Consequently, the Trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements.

b. Reserves policy

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

c. Principal risks and uncertainties

The Charity has recognised the risks posed by the current COVID-19 pandemic and has implemented various contingency measures and mitigating actions to address the threat. The Charity has implemented a coordinated business response and is taking appropriate actions for the Charity based on UK Government advice. The health and well being of the Charity's residents, employees and suppliers continues to be of paramount concern and arrangements have been put in place to ensure that the Charity's premises remain a safe environment for residents and staff. The Charity keeps the situation under daily review and will take all necessary measures to maintain the viability of the services provided. This includes the various measure and actions indicated under the Charity's assessment of the ability of the Charity to continue as a going concern.

d. Principal funding

The company's primary source of funding continued to be from local Health Trusts.

Members' liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

THE MARTIN RESIDENTIAL TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

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 . 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 judgments 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.

Disclosure of information to auditors

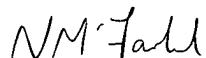
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

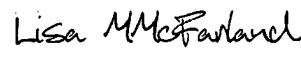
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, UHY Hacker Young Fitch Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 20 August 2021 and signed on their behalf by:


.....
Nigel McFarland
(Trustee)


.....
Lisa McFarland
(Trustee)

THE MARTIN RESIDENTIAL TRUST

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE MARTIN RESIDENTIAL TRUST**

BELFAST

Gordon Street Mews
27-29 Gordon Street
Belfast BT1 2LG

Phone +44 28 9032 2047
Email belfast@uhy-uk.com
Web www.uhy-uk.com/belfast

LONDON

222 The Quadrangle
Cambridge Square
London W2 2PJ

Phone +44 20 7305 7489
Web www.uhy-uk.com/westminster

Opinion

We have audited the financial statements of The Martin Residential Trust (the 'charity') for the year ended 31 December 2020 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 2020 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.

THE MARTIN RESIDENTIAL TRUST

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MARTIN RESIDENTIAL TRUST (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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.

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.

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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report.

THE MARTIN RESIDENTIAL TRUST

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MARTIN RESIDENTIAL 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows.

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations. As part of the audit in accordance with ISAs (UK) we exercised professional judgement and maintained professional scepticism throughout the audit. We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector and we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations. We obtained an understanding of internal controls relevant to the audit in order to design audit procedures that were appropriate in the circumstances but not for the purpose of expressing an opinion of the effectiveness of the Company's internal controls.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; evaluated the appropriateness of accounting policies used, including managements' use of the going concern basis of accounting, and the reasonableness of accounting estimates and related disclosures made by management; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included but were not limited to agreeing financial statement disclosures to underlying supporting documentation; reading the minutes of meetings of those charged with governance; and enquiring of management as to actual and potential litigation and claims.

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.

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

THE MARTIN RESIDENTIAL TRUST

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**INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF THE MARTIN RESIDENTIAL TRUST (CONTINUED)**

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.



Michael Fitch (Senior statutory auditor)
for and on behalf of
UHY Hacker Young Fitch Limited
Statutory Auditors & Chartered Accountants
27-29 Gordon Street

Belfast
Antrim
BT1 2LG

20 August 2021

UHY Hacker Young Fitch Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MARTIN RESIDENTIAL TRUST
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	3	95,237	95,237	15,022
Charitable activities	4	1,250,435	1,250,435	1,364,335
Investments	5	24,159	24,159	22,823
Total income		1,369,831	1,369,831	1,402,180
Expenditure on:				
Charitable activities	6	1,359,644	1,359,644	1,427,605
Total expenditure		1,359,644	1,359,644	1,427,605
Net income/(expenditure) before net gains on investments		10,187	10,187	(25,425)
Net gains on investments		5,911	5,911	4,347
Net movement in funds before other recognised gains		16,098	16,098	(21,078)
Other recognised gains:				
Gains on revaluation of fixed assets		4,029	4,029	32,484
Net movement in funds		20,127	20,127	11,406
Reconciliation of funds:				
Total funds brought forward		2,528,254	2,528,254	2,516,848
Net movement in funds		20,127	20,127	11,406
Total funds carried forward		2,548,381	2,548,381	2,528,254

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

The notes on pages 14 to 30 form part of these financial statements.

THE MARTIN RESIDENTIAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: NI037376

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	1,230,245	1,268,241
Investments	13	594,338	577,976
Investment property	12	265,000	265,000
		<u>2,089,583</u>	<u>2,111,217</u>
Current assets			
Debtors	14	20,945	18,369
Cash at bank and in hand		480,392	445,783
		<u>501,337</u>	<u>464,152</u>
Creditors: amounts falling due within one year	15	(42,539)	(47,115)
		<u>458,798</u>	<u>417,037</u>
Total assets less current liabilities		<u>2,548,381</u>	<u>2,528,254</u>
Net assets excluding pension asset		<u>2,548,381</u>	<u>2,528,254</u>
Total net assets		<u>2,548,381</u>	<u>2,528,254</u>
Charity funds			
Restricted funds	17	-	-
Unrestricted funds			
General funds	17	2,527,381	2,507,254
Revaluation reserve		21,000	21,000
Total unrestricted funds	17	<u>2,548,381</u>	<u>2,528,254</u>
Total funds		<u>2,548,381</u>	<u>2,528,254</u>

THE MARTIN RESIDENTIAL TRUST
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BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 20 August 2021 and signed on their behalf by:

Nigel McFarland
.....
Nigel McFarland
(Trustee)

Lisa M McFarland
.....
Lisa McFarland
(Trustee)

The notes on pages 14 to 30 form part of these financial statements.

THE MARTIN RESIDENTIAL TRUST
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	20,735	(1,788)
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	24,159	22,823
Proceeds from the sale of tangible fixed assets	-	4,295
Purchase of tangible fixed assets	(3,862)	(146,687)
Proceeds from sale of investments	147,058	41,626
Purchase of investments	(153,481)	(54,249)
	<hr/>	<hr/>
Net cash provided by/(used in) investing activities	13,874	(132,192)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	34,609	(133,980)
Cash and cash equivalents at the beginning of the year	445,783	579,763
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	480,392	445,783
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 14 to 30 form part of these financial statements

THE MARTIN RESIDENTIAL TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The Martin Residential Trust is a charitable company limited by guarantee and is incorporated and registered in Northern Ireland under company registration number NI037376.

The charitable company's registered office is situated at 48 Ballyclare Road, Glengormley, Co. Antrim BT36 5HL.

The principal activity of the company is providing loving care to people with profound learning disabilities.

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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Martin Residential 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.

2.2 Going concern

At the current time the UK is in the midst of the COVID-19 pandemic, which has introduced challenges and restrictions on all aspects of our daily lives. The trustees have taken all precautions necessary to ensure the health and safety of all of our residents, staff and members of the public.

Given the uncertainty of when current UK Government COVID-19 containment measures will cease, it is likely we will continue to experience restrictions in activity. The Charity has sought to mitigate the effect of the necessary restrictions on activity by seeking to preserve cash and making use of the Coronavirus Job Retention Scheme. While we continue to operate within our bank facilities, currently we do not anticipate the need to avail of further support mechanisms.

COVID-19 is expected to have a significant impact on activities for the remainder of 2021. However, we are confident that The Trustees have taken all actions possible to mitigate the impact on the charity. The Trustees have considered the impact of COVID-19 on the Charity's financial performance and cash flows. The Charity anticipates it will operate within its facilities and meet its obligations as they fall due. Consequently, the Trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements

THE MARTIN RESIDENTIAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 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.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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.

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

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All expenditure is inclusive of irrecoverable VAT.

2.5 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.

2.6 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 institution with whom the funds are deposited.

THE MARTIN RESIDENTIAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	4% reducing balance
Motor vehicles	-	20% reducing balance
Fixtures and fittings	-	20% straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.9 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.

2.10 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.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

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2. Accounting policies (continued)

2.12 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.

2.13 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.

2.14 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.

Investment income, gains and losses are allocated to the appropriate fund.

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3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £
Donations	7,770	7,770
Grants	10,000	10,000
Government grants	77,467	77,467
Other income	-	-
Total 2020	95,237	95,237
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	14,522	14,522
Other income	500	500
<i>Total 2019</i>	<i>15,022</i>	<i>15,022</i>

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Income from Health Trusts - Providing care for people with profound learning disabilities	1,250,435	1,250,435
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Income from Health Trusts - Providing care for people with profound learning disabilities	1,364,335	1,364,335

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5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income - local investment properties	13,350	13,350
Income from listed investments	9,658	9,658
Investment income - interest	1,151	1,151
Total 2020	24,159	24,159
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income - local investment properties	8,850	8,850
Income from listed investments	12,667	12,667
Investment income - interest	1,306	1,306
<i>Total 2019</i>	<i>22,823</i>	<i>22,823</i>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Total funds 2020 £
Providing care for people with profound learning disabilities	1,359,644	1,359,644
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Providing care for people with profound learning disabilities	1,427,605	1,427,605

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7. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Providing care for people with profound learning disabilities	1,289,916	69,728	1,359,644

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Providing care for people with profound learning disabilities	1,349,720	77,885	1,427,605

Analysis of direct costs

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7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Total funds 2020 £	Total funds 2019 £
Staff costs	1,105,198	1,124,539
Water rates	5,559	5,861
Light & heat	26,817	29,851
Cleaning	12,226	12,535
Laundry	4,403	4,537
Repairs & maintenance	13,891	28,125
Food purchases	29,599	40,754
Insurance	8,718	10,622
Motor expenses	9,122	12,691
Medical expenses	36,086	36,021
Toiletries	480	464
Directors expenses	-	150
Staff expenses	6,621	12,044
Entertaining	155	244
Recruitment expenses	354	572
Day centre expenses	3,008	1,896
Residents expenses	22,272	24,003
Staff courses	5,407	6,794
(Profit)/Loss on sale of fixed assets	-	(1,983)
Total 2020	1,289,916	1,349,720

Analysis of support costs

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7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Total funds 2020 £	<i>Total funds 2019 £</i>
Depreciation	41,858	44,775
Printing, postage & stationery	492	1,662
Telephone	4,584	4,766
Computer costs	5,691	7,174
Professional fees	7,265	9,111
Bank charges	104	150
Sundry expenses	-	230
Registration fees	914	874
Investment costs	3,648	4,175
Governance costs	5,172	4,968
Total 2020	69,728	77,885

8. Auditors' remuneration

	2020 £	<i>2019 £</i>
Fees payable to the charity's auditor for the audit of the charity's annual accounts	2,650	2,560
Fees payable to the charity's auditor in respect of: All non-audit services not included above	2,522	2,408

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9. Staff costs

	2020	2019
	£	£
Wages and salaries	965,741	985,717
Social security costs	71,080	72,201
Contribution to defined contribution pension schemes	68,376	66,621
	1,105,197	1,124,539

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

	2020	2019
	No.	No.
Direct charitable	53	57
Administrative	4	4
	57	61

No employee received remuneration amounting to more than £60,000 in either year.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2020	1,787,555	69,039	337,625	2,194,219
Additions	-	-	3,862	3,862
At 31 December 2020	<u>1,787,555</u>	<u>69,039</u>	<u>341,487</u>	<u>2,198,081</u>
Depreciation				
At 1 January 2020	588,073	22,699	315,206	925,978
Charge for the year	23,979	9,268	8,611	41,858
At 31 December 2020	<u>612,052</u>	<u>31,967</u>	<u>323,817</u>	<u>967,836</u>
Net book value				
At 31 December 2020	<u>1,175,503</u>	<u>37,072</u>	<u>17,670</u>	<u>1,230,245</u>
At 31 December 2019	<u>1,199,482</u>	<u>46,340</u>	<u>22,419</u>	<u>1,268,241</u>

12. Investment property

	Freehold investment property £
Valuation	
At 1 January 2020	265,000
At 31 December 2020	<u>265,000</u>

The valuations were made by the Trustees, on an open market value for existing use basis.

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NOTES TO THE FINANCIAL STATEMENTS
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13. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	577,975
Additions	153,481
Disposals	(141,147)
Revaluations	4,029
At 31 December 2020	<u><u>594,338</u></u>
Net book value	
At 31 December 2020	<u><u>594,338</u></u>
<i>At 31 December 2019</i>	<u><u>577,975</u></u>

14. Debtors

	2020 £	2019 £
Due within one year		
Other debtors	5,760	6,531
Prepayments and accrued income	15,185	11,838
	<u><u>20,945</u></u>	<u><u>18,369</u></u>

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15. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	7,561	12,791
Other taxation and social security	17,587	16,413
Accruals and deferred income	17,391	17,911
	42,539	47,115

16. Financial instruments

	2020	2019
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	480,392	445,783

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
General Funds	2,507,254	1,369,831	(1,359,644)	9,940	2,527,381
Revaluation reserve	21,000	-	-	-	21,000
	<u>2,528,254</u>	<u>1,369,831</u>	<u>(1,359,644)</u>	<u>9,940</u>	<u>2,548,381</u>

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds					
Designated funds					
Designated Funds	2,201,904	-	-	-	2,201,904
General funds					
General Funds	293,943	1,402,180	(1,427,605)	36,832	305,350
Revaluation reserve	21,000	-	-	-	21,000
	<u>314,943</u>	<u>1,402,180</u>	<u>(1,427,605)</u>	<u>36,832</u>	<u>326,350</u>
Total Unrestricted funds	<u>2,516,847</u>	<u>1,402,180</u>	<u>(1,427,605)</u>	<u>36,832</u>	<u>2,528,254</u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
General funds	<u>2,528,254</u>	<u>1,369,831</u>	<u>(1,359,644)</u>	<u>9,940</u>	<u>2,548,381</u>

Summary of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Designated funds	2,201,904	-	-	-	2,201,904
General funds	314,943	1,402,180	(1,427,605)	36,832	326,350
	<u>2,516,847</u>	<u>1,402,180</u>	<u>(1,427,605)</u>	<u>36,832</u>	<u>2,528,254</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,230,245	1,230,245
Fixed asset investments	594,338	594,338
Investment property	265,000	265,000
Current assets	501,337	501,337
Creditors due within one year	(42,539)	(42,539)
Total	<u>2,548,381</u>	<u>2,548,381</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	1,268,241	1,268,241
Fixed asset investments	577,976	577,976
Investment property	265,000	265,000
Current assets	464,152	464,152
Creditors due within one year	(47,114)	(47,114)
Total	<u><u>2,528,255</u></u>	<u><u>2,528,255</u></u>

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

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	<u>16,098</u>	<u>(21,078)</u>
Adjustments for:		
Depreciation charges	41,858	44,775
(Gains)/Losses on investments	(5,911)	(4,347)
Dividends, interests and rents from investments	(24,159)	(22,823)
Loss/(profit) on the sale of fixed assets	-	(1,983)
Decrease/(increase) in debtors	(2,576)	3,150
Increase/(decrease) in creditors	(4,575)	518
Net cash provided by/(used in) operating activities	<u><u>20,735</u></u>	<u><u>(1,788)</u></u>

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	<u>480,392</u>	<u>445,783</u>
Total cash and cash equivalents	<u><u>480,392</u></u>	<u><u>445,783</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of changes in net debt

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	445,783	34,609	480,392
	445,783	34,609	480,392

23. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £68,376 (2019: £66,621).

24. Related party transactions

During the year, three directors received salaries totalling £108,572 (2019: £109,037). The directors also had use of a company car. Salaries received were for qualifying services to the company, and not for services as directors.

25. Controlling party

The board of Trustees are the ultimate controlling party of the company.

26. Amount held on behalf of third parties

The company holds bank accounts on behalf of its residents. These bank accounts are not included in the Trust's financial statements. At the balance sheet date, the amounts held in these accounts amounted to £181,996 (2019: £179,092).