



Annual review
and accounts

2013/2014

Young Epilepsy exists to create better futures for children and young people with epilepsy and associated conditions. Our wonderful supporters and committed staff have worked tirelessly to positively and directly impact the lives of many thousands of those young people.

Together we have:

- Achieved the highest possible ratings from OFSTED and CQC for our residential services.
- Trained 1,740 healthcare professionals on epilepsy treatments, medication and impact on learning and behaviour.
- Delivered epilepsy awareness training to over 180 school staff and 2,500 children to raise awareness, fight stigma and keep young people with epilepsy safe.
- Launched a drive at the House of Commons to ensure the 112,000 young people with epilepsy, in the UK, get better support as a result of the new Children and Families Act.
- Opened our specialist on-site education and support services to 211 children and young people, and created more facilities for students with highly complex needs.

Despite these achievements, there is still so much to do and 2014/15 promises to be one of our most exciting years yet. Thank you for your support.



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Anna Walker

Chair of Trustees

This has been a year of huge achievement and change at Young Epilepsy. I am delighted to report that our total income from service fees and other charitable activities increased again slightly this year to an impressive £27.5m. This is testament to the dedication of our staff and the generosity of our supporters and I thank them all.

On our Surrey campus, we have provided first class education, health and social care to an increased number of children and young people living with severe epilepsy and associated conditions such as Autistic Spectrum Disorder (ASD), acquired brain injury, behavioural difficulties and profound and multiple learning disorders. This year 212 students have all benefitted from our unique, holistic range of on-site facilities including our St Piers School, College, Connect2, residential houses, farm and some of the best assessment and rehabilitation facilities across Europe. They combine to ensure every one of our students can reach their full potential.

The quality of these services is clear from the very good ratings from external inspectors. St Piers School residential services gained an Ofsted 'Outstanding' and the Care Quality Commission gave the highest possible rating to our care services, reflecting the world class, student-focussed facilities and care which each one of our students receives.

A cornerstone of our fundraising effort this year has been the drive to raise a total of £10m for our new School and Education Resource Centre, an exceptional education and research facility due to open in 2016. This will ensure Young Epilepsy brings the maximum possible benefit to our students and builds its reputation for best practice. We are almost there on the fundraising and thank all our supporters – past and future – most warmly.

In this, the 10th anniversary year of The Prince of Wales's Chair of Childhood Epilepsy, Professor Helen Cross and her team have built on the longstanding collaboration between Young Epilepsy, UCL-Institute of Child Health and Great Ormond Street Hospital and have instigated even more innovative studies.

This research is wide ranging including the impact of diet and sleep on epilepsy and the impact of epilepsy on learning. I am particularly pleased by the appointment of a Darzi Fellow with The Whittington Health Integrated Care Organisation. He is looking at gaps in the healthcare of children with epilepsy with the aim of making a step change for them, potentially by creating new integrated pathways of care.

It has been a hugely significant 12 months for Young Epilepsy during which we have developed exceptional new facilities for our students on campus, deepened our relationships with the clinical community, improved the impact of our national services for young people and families and started exciting new areas of work which will have long term benefits for all young people with epilepsy and associated conditions.

On behalf of Young Epilepsy, I want to thank Lisa Farmer very warmly for her leadership of the organisation as Interim Chief Executive for the majority of the year. I am also very pleased to welcome our new Chief Executive Carol Long, who joins us with wide ranging experience of caring for children, including with the NSPCC. I am sure she will lead Young Epilepsy to even greater successes in our mission to create better futures for young people with epilepsy.



Sir Gerald Acher CBE, LVO

President

It has been a privilege to witness how Young Epilepsy and our supporters have worked tirelessly to create both immediate and long term change for the young people we help, both on our Surrey campus and throughout the UK.

Our students will soon benefit daily from our innovative new School and Education Resource Centre, which will bring together research and teaching to ensure every student reaches their potential. This is thanks to a hugely successful £10m fundraising campaign. The capital gifts side is now complete as we move into the community 'Leaves and Stars Appeal' to raise the remaining £0.5m and allow us to open the doors of this exceptional building in 2016. A tree in the reception will feature golden leaves and stars bearing the names of our generous donors.

Amongst the campaign highlights in the last year were visits from His Royal Highness The Duke of Kent in January, who expressed great enthusiasm for Young Epilepsy's work, and from Sir Peter Harrison, who cut the first turf in March. We are most grateful to The Peter Harrison Foundation for its hugely generous £1m donation.

It is encouragingly heart-warming to see so many of our supporters involved in raising both money for, and awareness of, epilepsy and associated conditions throughout Britain.

This was particularly notable during National Epilepsy Week, when we joined again with River Island and Epilepsy Society to fight the stigma experienced by up to 40% of young people with epilepsy and their families. Our joint 'Everyone

Knows Someone' awareness campaign has grown significantly, and our huge thanks go to the James Lewis Foundation, who are partnering with us again in 2015.

Our drive to significantly increase understanding has also been boosted by being chosen as the focus of an hour-long BBC3 documentary to be shown in its 2015 Disability Season, and by the efforts of a large number of celebrities and families who attended our moving annual Champions Awards at London's City Hall.

I was also particularly pleased to attend a packed House of Commons Dining Room in March for the launch of Young Epilepsy's Manifesto for Change, designed to ensure all young students with epilepsy receive better support under the reforms of the Children and Families Act. This was followed by another, equally successful, event at Speakers House in May. It was a significant moment of change, and we were there fighting for the rights of young people and their families.

So as we look forward, as well as our work under the Children and Families Act, we shall be seeking to improve the medical pathways for young sufferers and identifying tools to improve educational attainment so that young people with epilepsy have the best chances to fulfil their aspirations.

Young Epilepsy has transformed even more lives this year, by working with individuals, organisations and decision makers to improve every aspect of the care they receive. Thank you to everyone who has supported us.



Carol Long

Chief Executive

It was a great privilege for me to join Young Epilepsy in April 2014 as the new Chief Executive. I already knew it was a truly great organisation with a clear vision and purpose to transform the lives of children and young people with epilepsy and autism by helping them achieve their full potential.

What I experienced on arrival was extraordinary commitment and skill from staff, trustees and volunteers alike which underpins the residential care, education, health services and outreach. I was also hugely impressed by Young Epilepsy's world-class research delivered in partnership with other renowned centres such as Great Ormond Street and University College Hospitals. We have a high reputation for providing training and information as well as developing improved services nationally and internationally. Our unique range of interdisciplinary professionals have the knowledge, expertise and unity of purpose to truly transform lives.

Last year we focused on further increasing our impact. We seized new opportunities, innovated, made excellence the focus of our service delivery and were ambitious for our research and national outreach. We responded to increasing demands to care for those with epilepsy who have more complex and diverse needs and are supporting more students with autism spectrum disorder, many of whom require very specialist care.

Our students are special and are at the heart of what we do. Every day we see them take great strides in their development, carefully supported by dedicated and talented staff. Parents tell me their children blossom here with us. They are happy and doing the things that any young person is entitled to do: learn, make friends and grow in confidence. It is easy to see why our residential services were rated 'Outstanding' in our latest Ofsted report.

But Young Epilepsy never stands still. We are strengthening our approach to education, informed by our experience and by the research for which we are known, and aspire to appoint a Professor of Education. To build on that global reputation for research, we have appointed a Darzi Fellow to identify what needs to change in epilepsy care and tackle those gaps head on by identifying a pathway or packages of care which we want all young people with epilepsy to receive. We know from the Epilepsy12 Round 2* national audit that much improvement is still needed.

This is a strong basis from which to open our new School and Education Resource Centre, which will combine education and research to create the best outcomes for our students and inform colleagues around the world.

Young Epilepsy has also made great progress in building our external services and outreach. Informed by our expertise and what we have learned on campus, we have commenced new work to improve the lives of the 112,000 children and young people with epilepsy in the UK.

We have already shown that 95% of children with active epilepsy struggle with learning or behaviour.

This coincided with the new Children and Families Act 2014, which has reformed the way children with special educational needs and medical conditions are supported. We fed into the Act, created a Manifesto for Change, lobbied decision makers and will monitor progress to ensure our research is acted upon and pupils with epilepsy benefit.

Young Epilepsy has taken confident steps forward this year. We are now on a path informed by our unique knowledge and practical experience – one which we are certain will ensure better futures for all young people with epilepsy and associated conditions.

“A truly great organisation with a clear vision and purpose.”



** Young Epilepsy has contributed to the Epilepsy12 national audit which aims to help epilepsy services, and those who commission health services, to measure and improve the quality of care for children and young people with seizures and epilepsies.*

Objective 1

To provide excellent specialist education, residential and health services for the students at St Piers School and St Piers College, each with an education and enrichment dimension for students, and to develop and deliver a range of outstanding day and residential services.



What have we **achieved**?

Our services

Young Epilepsy prides itself on the quality and breadth of services it provides. We combine the very best practice across education, residential and health provision to ensure that our students have the best possible experience and can achieve their full potential.

We are continually striving to enhance our quality and have seen all our regulatory judgments reflect improvements in provision. This has been reflected in student achievements. We are recognised for delivering services in a unique way and creating excellent teams working together to benefit students.

What makes our residential services so special?

Our residential care is unique because students enjoy a total care package that is tailored for their individual, specific needs. It incorporates many specialist services that young people elsewhere struggle to access.

St Piers School and College

Whilst teaching is focussed within the school and college, we encourage students to continue to learn throughout their entire day. This enables them also to learn in their residential and social settings and ensures that achievement targets are set throughout all activities.

St Piers School

- Key Stage results: Comparison with 2012/13 shows a small percentage increase in achievement for all subjects – between 2% and 7% for main school.
- 100% of sixth form students are achieving on or above target.

St Piers College

- Ofsted results show an ever improving picture with the college now rated as 'Good' with 'Outstanding' features.
- 80 accredited qualifications were completed.
- Learning Target Achievement Results were 93% which is very high and continuously improving.

At St Piers College, we have also recently created interlinking sensory classrooms with quiet spaces, tracking for hoists and an adjoining garden. Work has also begun to create a new therapy and sensory hub.

Employment opportunities

This year has seen an increase in the work done to prepare young people for employment. The work placement programme for all learners has increased; there was another very successful work skills week undertaken during the summer term. In addition to this a very successful partnership has been established with East Surrey Hospital and Surrey Employability which led to six internships being undertaken. This has led to eight students taking up placements at the hospital this year. St Piers School is also increasing its work with students on employability and is now developing its own work placement programme.

Connect2

Young Epilepsy's Connect2 service is a specialist year-round residential service supporting 19 to 25 year-olds with profound and multiple learning difficulties. We now have 14 young adults living on site and have just opened a second activity building featuring soft play and sensory spaces.

The programme adapts to the needs of each young person, so constantly vary. Highlights from last year include pet therapy sessions, during which students enjoyed meeting Stan the Labradoodle, and a 'design your own cowboy hat' competition – won by a fabulous World Cup themed hat with footballs hanging from the brim!

What's **next**?

St Piers School

Apart from an exciting move to the new School and Education Resource Centre, we are working hard to help the children at our school achieve the best results possible. Three key areas of particular focus for next year will be:

- School and sixth form students with moderate learning difficulties.
- Writing skills.
- Science.

St Piers College

In 2015, we will undertake more work to accommodate students with complex needs, including the bespoke new learning environment and therapeutic and sensory 'hub' in our Griffiths building.

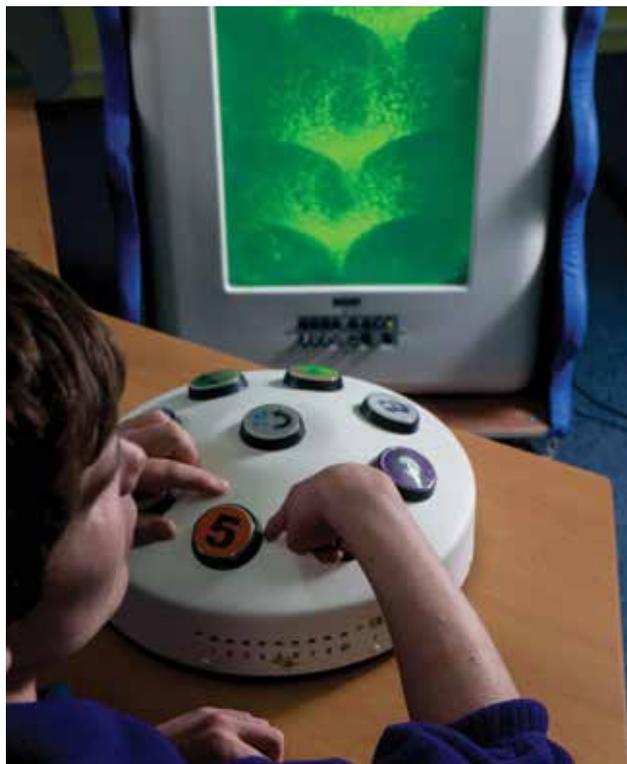
Interactive Learning Technology (ILT)

ILT is playing an increasingly important role to meet the needs of students who require bespoke curricula and specialist teaching. We are raising funds for more interactive whiteboards along with other projects to explore and improve the use of new mobile technologies to enhance the learning of our students with very complex needs.

Ai Media Project

We are currently planning a collaboration project with Ai Media and Autistica to introduce speech-to-text technology for those students with autism, and epilepsy, who struggle with continuity of learning. It will enable students who are unable to take notes, or require more time, to read live captions relating to their lessons and transcribe the content back later.

For more information visit:
youngpilepsy.org.uk/education



Meet **Richard**

Richard has epilepsy, autism spectrum disorder and moderate learning difficulties. He became a residential college student at Young Epilepsy in 2011.

At first, like many students, Richard struggled to adjust to his new environment – his family and the team at Young Epilepsy worked hard to support Richard through this difficult transition. As a result he was able to start thinking about his ambitions and new choices about possible employment.

Richard was keen to try reception work, so it was arranged for him to get experience on the campus:

“I have done different work experience in the Young Epilepsy main reception and I’ve learnt how to answer the phone and sort the post.”

As Richard gained confidence, he progressed to working at busier times, although he sometimes found this challenging. Young Epilepsy staff worked carefully to support Richard, which helped him stay calm when the job became more demanding.

Richard’s placement was so successful he secured external work experience.

“Last year my work experience was at a local hotel, I worked in the spa reception, I learnt how to roll towels and slippers.”

This gave Richard the opportunity to practice and develop the skills he had learnt at the Young Epilepsy reception. He showed good progress in his work ethic, developed problem solving skills, and interacted appropriately within the workplace.

One of Richard’s biggest hurdles has been overcoming difficulties with social interaction but over the past three years, he has made real progress. Richard has learnt how to take turns in conversations and to listen to others, which has had a really positive effect on his relationships. He now has many friends in the house and in college and will join in with group activities, rather than sitting alone.



“When I started at Young Epilepsy I had a lot of anger and problems. I couldn’t easily control my anger, since speaking to psychology and other staff at Young Epilepsy I have listened and taken their advice. Instead of showing tantrums and attitude I put my anger aside, I try to ignore some situations and other times I play computer games to get rid of my anger.”

One of Richard’s favourite areas of learning is multi-skills, he has not only shown flair but has also carried out some peer mentoring.

“Before I came to Young Epilepsy I went to a mainstream college but I didn’t have the same support and didn’t learn very much. This put me off mainstream college, but now I’m doing a mainstream college course in multi-skills. I really enjoy the course and I’m learning how to lay bricks.”

As Richard embarks on a steady journey into adulthood, he has every reason to feel very proud of his achievements. With support from his family, friends and the staff at Young Epilepsy, Richard has taken up the challenge and overcome many barriers to create a brighter future.



Objective

2

To be the voice and champion of childhood epilepsy through providing information, awareness, support and campaigning.



What have we **achieved**?

Pupils with epilepsy at the forefront of change

For children with special educational needs and medical conditions, the new Children and Families Act 2014 is a great step forward. It entitles them to support plans which meet their educational, behavioural and healthcare needs. Young Epilepsy has launched a new programme of work to ensure that those living with epilepsy gain the greatest possible benefit.

This is particularly important as our ground-breaking research study, CHESS (Children with Epilepsy in Sussex Schools) proved in 2014 that children with epilepsy usually experience associated learning and behavioural difficulties. It also showed a disturbing level of misdiagnosis and misunderstanding – which means thousands of pupils are not reaching their potential at school.

This research informed our Manifesto for Change, launched at a packed House of Commons reception in March. It called for consistent high quality assessment and support, improved teacher training and for parents and young people to be informed of their new rights. Paul Maynard MP led an Adjournment Debate in Parliament, to ensure the Government considers epilepsy when implementing the Act. Follow up lobbying has included a meeting between Young Epilepsy and Parliamentary Under Secretary of State for Children and Families, Edward Timpson.

We are delighted that the Minister has recognised that every young person's needs are different, and agreed on record that children with epilepsy must receive the right kind of support in schools.

BBC documentary

Young Epilepsy is committed to being the voice of young people with epilepsy across the UK, and we have substantially increased our profile in traditional and social media. This includes commissioning of a one-hour documentary following the progress of a group of our students as they move into adulthood. It will be part of BBC3's Disability Season in Spring 2015.

Outreach in universities

2013 was the big push for our University Project, which helps higher education providers support students with epilepsy who are away from home for the first time and potentially extremely vulnerable to lifestyle changes.

To date 150 universities and higher education institutions have actively engaged and 217 professionals have trained online. Our new, free university training resources are amongst the most popular website downloads.

Transitions projects for 16-25s

Young people with epilepsy often need additional support at times of change including decisions about further study, leaving home, going to college and finding training and employment.

Thanks to generous funding from Comic Relief, City Bridge Trust and the Blagrove Trust, we will soon be launching a new transition support programme in Hampshire to tackle social exclusion and under achievement amongst hard to reach young people.

Outreach in the West Midlands and Merseyside

Our Epilepsy Education for Schools (EE4S) programme forms a vital part of our outreach to help children and young people in mainstream education achieve better outcomes.

In 2013, we extended the service to two large regions – Merseyside and the West Midlands. In one school containing six pupils with epilepsy, an EE4S trainer is working with staff to ensure their needs are understood and met.

Certificate of learning

We have recently launched an e-learning course and certificate of learning for all professionals working in schools. The two-hour course covers different types of seizures and how to manage them effectively, as well as the wider impact of epilepsy on daily school life.

What's **next**?

Assessment of Behaviour and Learning in Epilepsy (ABLE)

ABLE, a new screening tool for teaching staff and parents, has been designed to respond to the urgent need for easy-to-use assessments in schools. This need was identified in our recent research projects: What Helps What Hinders, CHES and the University Project, as well as the Epilepsy Education for Schools Programme (EE4S) and the Young Epilepsy helpline.

Through a set of carefully designed questions ABLE will provide a joined-up, comprehensive picture about each child and will identify any individual, specific needs. This holistic approach means that parents and schools will be better informed and therefore better placed to support and help children with epilepsy to achieve their full potential.



Young Epilepsy Kitemark

We are about to begin trialing an 'epilepsy-friendly' kitemark for further higher education establishments to display on their marketing materials and websites. The mark indicates that they have taken positive steps to understand and recognise the unique needs of students with epilepsy.

For more information visit:
youngepilepsy.org.uk/campaigns



Meet Tom

We first met Tom two years ago when he took part in a trial to test the Young Epilepsy mobile phone app.

At the time, Tom's epilepsy wasn't properly under control and he had experienced seizures at school – once requiring paramedics. Although fellow pupils were aware of Tom's epilepsy, they didn't fully understand how stressful it was for him to cope with a potentially life-threatening condition. He felt embarrassed and awkward after his seizures and generally felt like an outsider.

Tom provided Young Epilepsy with some really valuable feedback and we worked with him, his family and school to help them gain a better understanding of his condition and its wider effects. After speaking to a counsellor at school and changing his medication, Tom is now much more confident and has remained seizure-free for nearly two years.

Tom has since taken part in further research projects and has become a keen supporter of Young Epilepsy – even doing his own fundraising. We were also delighted that Tom agreed to represent Young Epilepsy at high profile events.



In December 2013, Tom attended a Surrey Freemasons' charity presentation evening where he wrote and delivered his own speech and accepted a cheque for £50,000 on behalf of Young Epilepsy. He also attended the House of Commons to help launch our Manifesto For Change.

Tom is now entering his final GCSE year. Although the side effects of this treatment are causing some difficulties, his school is making provisions to support him, such as extra time, rest breaks and separate rooms for exams.

Tom hopes to achieve 10 GCSEs and go on to Sixth Form. He is also hoping to remain seizure-free so that he can apply for a provisional driving licence.

“I will continue to fundraise for Young Epilepsy because I love the fact that, having had epilepsy for ten years now, I am helping to make a difference to the lives of other young people like me.”

Objective

3

To develop, deliver and support pioneering research that will make a difference to children and young people with epilepsy, their parents and carers.



What have we **achieved**?

As we enter the 10th anniversary year of The Prince of Wales's Chair of Childhood Epilepsy, Professor Helen Cross is continuing to lead a world-class integrated research partnership between Young Epilepsy, UCL-Institute of Child Health and Great Ormond Street Hospital (GOSH).

The collaboration of the three organisations brings together vast knowledge and expertise about childhood epilepsy, to find solutions to one of the world's most complex and disabling conditions.

Without research into epilepsy, early diagnosis, new treatments and interventions would not be possible. Young Epilepsy is one of the few UK charities dedicated to independent research into understanding the medical, educational and social aspects of childhood epilepsy.

In the last 12 months, the team has initiated a number of new projects and secured funding for five further research projects. In addition, the unit has been responsible for 52 peer-reviewed publications of primary research, as well as a further 20 publications of chapters, reviews and commentaries of expert opinion. One of the major publications was on the findings from CHES (Children with Epilepsy in Sussex Schools).

Previous studies have shown that at least half of children with epilepsy have problems with academic progress. We have always believed this to be higher but the CHES research revealed some truly shocking results: 95% of children with epilepsy have significant difficulty in at least one area of cognition or behaviour, with 40% functioning within the learning disabled spectrum.

CHES has provided Young Epilepsy with evidence to push for greater awareness, teacher training, better assessments and support measures in schools across the UK. This vital research was the catalyst for our event at the House of Commons, March 2014, where we launched our Manifesto for Change, coinciding with the new Children and Families Act.

Current research projects include:

- **Epilepsy in infancy:** To determine the causes of epilepsy in children under 12 months of age (including new causes) and ultimately to get more information on which treatments work best for the different types of epilepsy in this age group.
- **Rasmussen Encephalitis in children:** To gain greater insight into this rare progressive inflammatory disorder.
- **Epilepsy genomics in childhood:** To look at the genes of children with epilepsy to see if this can tell us more about why they have epilepsy.
- **Improving epilepsy surgery in childhood:** Researching and developing child-friendly pre-surgical testing techniques using brain-imaging technology.
- **Ketogenic diet and genetics:** To determine any links between genetics and the effectiveness of the ketogenic diet. A further study is also planned specifically for infants.
- **Long-term outcomes:** To identify how prolonged epileptic seizures in childhood can influence motor and cognitive outcomes up to 10 years later.



What's **next?**

Ketogenic diet trial in infants

The incidence of epilepsy is greatest in the first two years of life. Early control of seizures is associated with better developmental outcome but unfortunately many of the epilepsies presenting in infancy are associated with a poor prognosis for seizure control. There is limited data available with regard to effective treatments for infants with epilepsy.

The ketogenic diet is a high fat, low carbohydrate diet that has been used for almost 100 years in the treatment of epilepsy and has already proven effective for some children who have failed to respond to antiepileptic drugs.

The research team at Young Epilepsy is currently planning a randomised controlled trial in conjunction with nine leading health organisations across the UK. The aim of the trial will be to determine the effectiveness of the ketogenic diet in children with epilepsy aged three months to two years, who have failed to respond to two or more pharmacological treatments.

The project has received ethical and government approvals and recruitment of participants will begin in January 2015.

Under 5s project

In August 2014, the research team launched a project with a local consultant community paediatrician, Dr Patricia Atkinson.

The Under 5s project aims to identify development or behaviour issues associated with children with epilepsy under five years of age. It will also assess parental stress and the wellbeing of parents and carers.

We will then work with parents, carers and professionals involved to see if we can help improve progress and pre-empt problems.

Recruitment for a group of 50 to 60 pre-school aged children began in August 2014 and the project will last for three years.

Sleep and memory in children

Led by Professor Helen Cross, this three year project is due for completion in 2015 and has brought together researchers from Young Epilepsy, UCL-Institute of Child Health and Great Ormond Street Hospital.

This project aims to identify how sleep affects learning and memory in children with epilepsy and determine whether this is disrupted compared to healthy children.

It is hoped that the findings will lead to a better understanding of the causes of cognitive impairment in epilepsy.

For more information visit:
youngepilepsy.org.uk/research



Meet **Gabriella**

Gabriella is a highly articulate and intelligent student who took part in Young Epilepsy's groundbreaking CHES research project.

She is fluent in Spanish and enjoys her studies, but at times she has really struggled at secondary school as a result of her epilepsy.

Her type of absence seizures meant she would unknowingly blank out, meaning that she would inevitably miss important information, making her feel embarrassed about having to ask for help.

Because of this, Gabriella was left feeling vulnerable, isolated and demotivated. For a while, she hardly left the house. She says that for years her seizures were ignored or misunderstood; her flickering eyes and daydreaming expression were put down to lack of concentration.

Even after she was diagnosed, Gabriella's medication also affected her ability to concentrate and retain information. During exams, the stress affected her epilepsy so much that she went into what she describes as 'meltdown'.

Gabriella was eventually introduced to educational psychologist Colin Reilly, who was investigating the effects of epilepsy on learning and behaviour as part of Young Epilepsy's CHES study. He identified her needs, helped her school create the right support and her world changed.

Gabriella has got good GCSEs and AS level Spanish with flying colours, despite having a seizure during the exam. She still has difficulties but now feels she can cope and is busy studying for A-levels.



And it didn't end there. In the summer she was chosen to be the face of River Island's 'Everyone Knows Someone' campaign – a joint initiative with Young Epilepsy and Epilepsy Society, to raise awareness amongst young people.

She also represented Young Epilepsy when we launched our Manifesto for Change at the House of Commons, meeting Peers and other dignitaries and taking this auspicious occasion completely in her stride.

She has also given back, raising money for Young Epilepsy by taking part in the Purple Walk, with her team 'The Purple Ninjas'.

“I just wanted help to be the best I can. Now I have that and it's like the lights coming on again.”



Objective 4

To use our world-leading health expertise to support young people with epilepsy and other neurological conditions, through the delivery of an excellent range of specialist multi-disciplinary diagnostic, assessment and rehabilitation services.



What have we **achieved**?

Care Quality Commission (CQC) Report 2014

Our latest CQC inspection report was published in March 2014 and gave Young Epilepsy the highest rating possible across five criteria:

- Treating people with respect and involving them in their care.
- Providing care, treatment and support that meets people's needs.
- Caring for people safely and protecting them from harm.
- Staffing.
- Quality and suitability of management.

One student told the inspector: *"I love everything about it here and do lots."*

Relatives' comments included: *"They are always very respectful, give them choices and it's my ideal life for them."*; *"Their needs are very complex and we feel safe with them there."*

Partnership programmes

Key to our unique approach is Young Epilepsy's deepening relationships with the clinical community. By drawing on the expertise of professional staff from other organisations, we can provide a high standard of service for children and young people, with the benefit of the latest medical research.

CESS programme (Children's Epilepsy Surgery Service)

The Children's Epilepsy Surgery Service (CESS) launched in 2012 as part of an NHS directive to make epilepsy surgery a nationally commissioned service.

Young Epilepsy is playing a key role in the service as part of an expert team with members from GOSH, UCL-Institute of Child Health and King's Health Partners (KHP).

KHP brings together King's College London and three successful NHS Foundation Trusts (Guy's and St Thomas', King's College Hospital and South London and Maudsley). KHP also have a long-established very experienced children's epilepsy surgery service and are the South East Thames region centre for children's neuroscience.

The Darzi Fellowship in Clinical Leadership Programme

Working with The Whittington Health Integrated Care Organisation, Young Epilepsy has recently appointed a Darzi Fellow on a 12-month attachment.

This will form phase one of an ambitious new project, which aims to create an integrated pathway of care for children with paediatric epilepsy.

The Darzi Fellowship launched four years ago to provide hospital registrars with postgraduate training in clinical leadership. This innovative programme aims to create a new dynamic breed of primary care 'champions' to drive forward clinical commissioning.



What's next?

One of the biggest items on the agenda for the forthcoming year is the new Care Act and how it impacts Young Epilepsy. The Care Act will come into force in two phases, the first in April 2015 and the second in April 2016.

Phase 1 aims to improve personalisation of care, consolidating best practice and putting people's rights to a personal budget and direct payment on a statutory footing.

What is Young Epilepsy's response?

"The Care Act represents the most significant reform of care and support in more than 60 years, putting people and their carers in control of their care and support."

Norman Lamb, Care and Support Minister

The Epilepsy Care Pathway

Professor Helen Cross is playing an intrinsic role in this ambitious new project which aims to create a clinical pathway, based on a highly successful model for patients with diabetes.



Recruited on a one-year placement from September 2014, a Darzi Fellow will identify how Young Epilepsy's purpose-built phone app can be used as an interface between children and young adults with epilepsy and their clinicians.

By recording and feeding back seizure and medication data, the aim is to develop a method for understanding what matters most to children with epilepsy and their families.

The Epilepsy Care Pathway will bring together expertise from significant partnerships with The Whittington Hospital, University College of London Partners (UCLP), the Institute of Child Health (ICH) and the Clinical Commissioning Group (CCG) in Haringay and Islington.

New CQC inspections

Young Epilepsy has consistently achieved good ratings with the Care Quality Commission. However, in 2013/14, the CQC began making radical changes to the way they regulate and inspect health and social care services as part of a three-year strategy.

Young Epilepsy is taking significant steps to ensure that we meet the new criteria now and continue to provide the best levels of care for children and young people.

For more information visit:
youngpilepsy.org.uk/what-we-do



Meet **Chloe**

Landau Kleffner Syndrome (LKS) is a rare form of childhood epilepsy, which can result in a severe language disorder. It is also known as ‘acquired epileptic aphasia’.

The disorder usually starts between four and seven years of age and the first indication that something is wrong is typically that the child’s understanding of language deteriorates.

In Chloe’s case, her parents noticed changes in her speech, comprehension and behaviour when she was around five years old. Chloe subsequently started having seizures and, after undergoing tests to assess the electrical activity in her brain, she was eventually diagnosed with LKS.

Although antiepileptic drugs and multiple subpial transection surgery brought her seizures under control, Chloe’s behaviour and comprehension continued to deteriorate. Although she could hear, Chloe wouldn’t acknowledge anyone or display any sort of understanding or affection. As her mother described, she became a ‘very unhappy child living in her own little world’.

We first met Chloe, when she was eight years old and underwent a six-week intervention programme at Young Epilepsy’s assessment and rehabilitation unit.



During her stay, the team made changes to Chloe’s medication and she underwent intensive one-to-one sessions with a psychologist and specialist teachers to address her behaviour and learning difficulties. Speech and language therapy worked on all aspects of her communication, focusing on independence and building her skills.

By the end of six weeks, Chloe’s progress was clearly evident. She was able to process communication more easily and this had led to her seeming much happier with herself and her environment. She was beginning to write and her speech had improved greatly.

“After the programme, Chloe returned to her own school where she has continued to make steady but significant progress. Now aged 11, Chloe is far more able to access education and is continuing to learn the skills she will require later in life.”



Objective 5

To be a commercially astute organisation that is financially secure and that invests in the future.



What have we **achieved**?

Cost effectiveness

In tough economic times, we are working hard to ensure that Young Epilepsy operates in an efficient and cost-effective way, whilst still maintaining excellent levels of service.

By thinking progressively, we are confident that we can modernise and transform the way we do things to benefit both the young people we serve and the organisation.

As part of a three-year strategic review of operational efficiency and service delivery, we have recently made significant changes that have reduced our operational costs by £850k.

We have improved procurement, outsourced our catering function and implemented other changes that have led to simpler and more effective processes.

Staff have actively engaged with our 'War on Waste' campaign and have had great ideas which have had real impact.

Fundraising

Young Epilepsy would like to thank everyone for their outstanding response so far to our fundraising appeal for the new School and Education Resource Centre.

This vital campaign has seen unprecedented levels of support and interest. His Royal Highness The Duke of Kent gave the campaign a great boost by showing his personal interest and touring Young Epilepsy in January 2014.

Particular thanks go to the Peter Harrison Foundation, who generously donated £1m towards an aqua therapy suite and swimming pool for the new centre.

National Epilepsy Week

During National Epilepsy Week, Young Epilepsy launched an Education Research Programme at a reception at Speaker's House. We are now raising funds towards an exciting range of research projects which will evidence the best classroom interventions for students with epilepsy. At the reception, young people told how they had faced outdated attitudes and unnecessary exclusion from school and the terrible impact on their self esteem. In this important awareness week we also organised our first Purple Walk at Loseley Park. A total of 134 walkers raised over £10k by walking through the beautiful grounds of Loseley House, Guildford.

Also during National Epilepsy Week, high street fashion giant, River Island gave away 'Everyone Knows Someone' wristbands to raise awareness of epilepsy as part of a joint campaign with Young Epilepsy and Epilepsy Society.

New outdoor spaces

We successfully raised £250k to revamp our farm and outdoor learning spaces which are fantastic for concentration and sensory learning. These new developments will provide facilities for students to undertake vocational courses.

We have also added a new nautical-themed outdoor learning area, which was generously funded and organised by Santander.

Other fundraising highlights

- Our fourth Charity Race Day at Lingfield Park Racecourse raised £26k.
- Christmas Carol Concert led by wonderful Jean Rigby, entertaining 250 guests.
- Our fantastic marathon runners raised over £55k.

What's next?

Leaves and Stars Appeal

Throughout 2015 we will be running our 'Leaves and Stars' community appeal to raise the final £500k needed for the School and Education Resource Centre.

A 'Tree of Honour' will be placed in the student entrance of the new building. Anyone who raises more than £250 will be recognised with a silver leaf and anyone who raises £500 will be recognised with a special gold leaf.

In the main entrance lobby, there will be an amazing Constellation of Stars containing the names of generous donors (or someone special to them) who raise £1,000 or £5,000. Everyone walking into this unique building will see the dedicated supporters who helped to make it a reality for the students in our care.

This is the final phase of a £10m campaign and promises to be a fantastic time to get involved as we count down to the exciting day when the doors of the School and Education Resource Centre open in January 2016.



Other fundraising projects

As a result of our CHES research project we now know that 95% of children with active epilepsy have significant difficulties with learning or behaviour and up to two thirds of those problems are going unrecognised. We are determined to find ways of providing better support for these children and help them achieve their potential.

Young Epilepsy is actively seeking funding for a comprehensive programme of education research, which will be undertaken in the new centre.

For more information visit:
youngepilepsy.org.uk/for-supporters



Meet **River Island** and The **James Lewis Foundation**

Over the last few years, Young Epilepsy has developed a strong association with the fashion retail giant, River Island.

Like many corporate fundraising relationships, this successful partnership began with a personal connection. The Lewis family, who own River Island, tragically lost a young family member to epilepsy in 2011 and have been committed to raising awareness ever since.

They are determined to fight stigma and help Young Epilepsy draw attention to the prevalence of epilepsy, which is more common than in children and young people than diabetes.

In May 2012, River Island launched a joint campaign to raise awareness of epilepsy called 'Everyone Knows Someone' to coincide with National Epilepsy Awareness Week. Information was published on their website and wristbands featuring Young Epilepsy and Epilepsy Society were sent out with every online order.

River Island has since committed to building on this success year-on-year. During the 2014 campaign, 40,000 purple 'Everyone Knows Someone' wristbands were distributed to River Island's online customers. The charities also drove a joint media campaign featuring competitions and a Radio Day, which was picked up by 89 radio stations, reaching 2m listeners.

River Island also supports the Young Epilepsy Champions Awards and in 2014 was the sponsor of the Inspirational Champion Award.

The James Lewis Foundation

The Lewis family is also supporting Young Epilepsy through their charitable foundation, The James Lewis Foundation. In 2013, they funded an outreach project to raise awareness about epilepsy within universities.



Students with epilepsy often struggle away from home and with lifestyle changes, particularly concerning diet, sleep and alcohol. There are real risks at this transition time and it is vital that both students and university staff are informed and prepared.

Everyone involved in the project has been struck by the demand from university admissions departments and equality staff.

150 institutions are now actively engaged with the project and the online resources have consistently been the most popular downloads.

The James Lewis Foundation is very generously funding an innovative suite in the new school, which will enable students to engage with art, science and photography.

Many of our students make outstanding progress once they are engaged with a more artistic and sensory curriculum and many achieve far beyond expectations when they are learning in this way.

Everyone is really looking forward to exploring the James Lewis studio when the project is complete.

Objective 6

To maintain a workforce that is engaged, motivated, skilled and highly professional in all that it does.



What have we **achieved**?

At Young Epilepsy we understand that, for parents, allowing someone else to look after a child with specialist needs can be a difficult leap. That's why our outstanding staff are 100% committed to helping every child and young person in our care to flourish.

We are delighted that their hard work and dedication has been recognised in our latest Ofsted and CQC reports. Staff were particularly recognised for their warm, caring and purposeful relationships with students and their expertise in supporting individual needs.

Our work over the last 12 months has prioritised:

- New training courses to build the confidence of staff in the changing environment in which they work.
- A new appraisal process designed to recognise and enhance the contribution staff make to Young Epilepsy's mission and values.
- Creation of clear opportunities for career development and upskilling of the workforce.



Positive Behaviour Support Strategy

As we welcome more students with complex behavioural and education needs, we have developed a positive behaviour support strategy to ensure safety at all times for our staff and the students in our care. It will include the whole organisation and help all students and staff to live and work together in a safe and happy environment. The strategy translates Young Epilepsy's ethos and philosophy into practice that promotes good standards of behaviour.

Our staff deal with complex behaviour on a daily basis and this can be emotionally, physically and mentally challenging. We are committed to supporting staff and their ongoing wellbeing is a priority for us. Support for staff has been constantly improved and now includes:

- Direct involvement in development of the behaviour strategy.
- Relevant induction training.
- Ongoing training in behaviour support processes including effective use of physical intervention.
- Supervision, mentoring, debriefing and appraisal systems that help identify good practice and development needs across the organisation.
- A staff forum in which representatives are able to discuss issues directly with senior managers.

What's **next**?

Staffing and recruitment

The care sector is facing significant challenges in recruiting and retaining staff. Young Epilepsy is not immune to these challenges, especially given our rural location, but we are rising to the challenge and will ensure we maintain a strong workforce.

We have many unique selling points as an organisation and our staff recognise us as a good employer. We will find new ways of showing our strengths to future employees and describing the huge benefits of working at Young Epilepsy.

We must also continue to recognise the efforts and commitment of our current workforce. We will focus on the development of excellent career pathways that attract staff and encourage them to stay with us.

Training

Young Epilepsy's staff are recognised as delivering a first class service to our students. In the coming year we will make our training even more relevant and easily accessible.

We will ensure it is matched to the needs of our students, provides robust continuing professional development, and fully meets the new requirements of the Care Act 2014 and the Children and Families Act 2014 whilst remaining cost effective.

**For more information visit:
youngpilepsy.org.uk/jobs**

“Many young people want to try things but they lack the confidence and are afraid of failure. We give them the support. If they fail, that's OK, because we can pick them up afterwards, talk about what went wrong and help them to achieve a better result next time.”



Meet Joe

Our staff are our greatest asset and we are very lucky to enjoy the level of loyalty and commitment they offer to us. For many, Young Epilepsy was one of their first jobs and they have stayed with the organisation and made it their career.

Joe joined Young Epilepsy in 2001 as a 17 year-old voluntary support worker. His sister already worked at Young Epilepsy and encouraged her brother to give it a try.

Joe has continually strived towards more senior and more responsible roles. He has pursued and attained many qualifications and has also taken a specialist interest in several of our key areas of provision.

Joe now manages two of our houses within the Children's Residential Services. Both houses have received an 'Outstanding' grade from Ofsted this year. He is also a key member of our safeguarding team and is called upon for his specialist opinion regularly.

In recent years Joe has used his skills and interests to help shape our approach to procurement, student support systems and monitoring seizures. He is someone who enjoys the challenges faced by the organisation and is motivated to be part of our solution and part of our future.

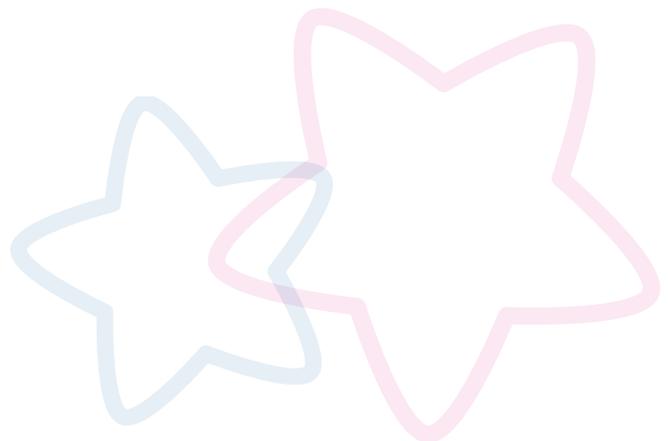
Joe believes that Young Epilepsy's success lies in its all-round approach. Residential students have access to a complete range of specialist services and expertise all in one place. This holistic approach also includes the entire family and when a child goes home for the holidays, the team makes sure that everyone feels supported. Over the last few years, Young Epilepsy has started accepting more students with complex needs – such as severe autism. As someone who has witnessed this changing student profile first-hand, Joe feels absolutely confident that the organisation is well equipped to deal with it.



Young Epilepsy's highly trained and diverse care team get involved with all aspects of the organisation and often undergo extra training. This helps make staff like Joe confident to encourage students to push their boundaries and take an occasional risk.

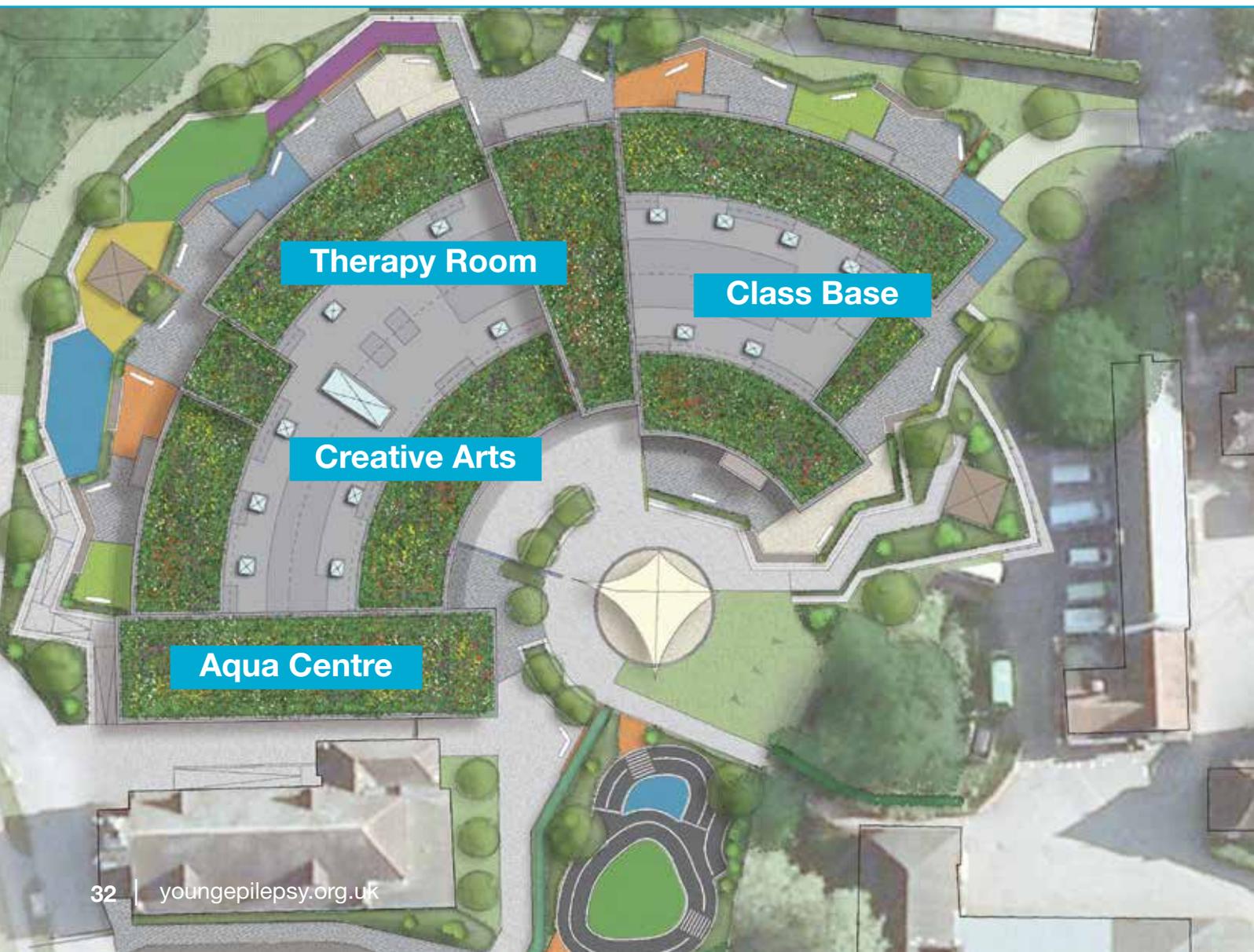
If Joe had to pick the biggest single thing he loves about his job, it's the time he spends with the students each day. His role as a manager allows him to be a leader and he shares his passion and ambition with his team and the wider organisation.

Joe is highly valued but he is not alone at Young Epilepsy. We have a superb staff team who are wholly committed to the organisation and the young people we serve. We will continue to commit to their development and engagement in the solutions for the future.



Objective 7

To operate an organisation that is efficient, effective and 'fit for purpose' to deliver our objectives.



What have we **achieved**?

We have repeatedly seen how children can blossom in the right environment. As we welcome students with increasingly diverse needs, Young Epilepsy is responding to the challenge to ensure we continue to meet their needs in the best way possible.

School and Education Resource Centre

In April 2014, we were delighted to welcome Sir Peter Harrison to join Young Epilepsy student, Kyle, for the turf-cutting ceremony.

We are so grateful to the Peter Harrison Foundation and many other generous supporters, who are helping to turn our plans into a reality. Work on the site has now begun and we are aiming to open the doors in January 2016.

The new cutting edge facility will create a superb learning environment designed to help us deliver our child-centred model of education and care in an even more effective way. For example:

- 14 classrooms will feature flexible workstations, interactive whiteboards and have access to stimulating sensory spaces.
- A leisure and hydrotherapy pool will enable students to enjoy swimming and water-based therapies.
- An 'Imaginarium' will be a special sensory room that embraces the latest interactive technology. Images are projected onto the floor, walls and ceiling which change and react to touch.
- The centre is designed as a curve, providing outdoor spaces for activities and includes a go-kart track.
- Two residential houses have been refurbished, creating a blueprint for the next level of residential accommodation.

Our beautiful site in Lingfield forms part of a precious rural environment that we are taking care to preserve for generations to come. With this in mind, the new centre will feature a green turf roof and the old school building site will be returned to a natural environment.

Farm redevelopment

In September 2013 we opened our new farm learning facility, which was completed during the summer. These included six new cabins which enable learning in all weathers, provides classrooms and a small animal and reptile room.

This has been a fantastic resource with 87 students taking accredited and non-accredited courses in animal care and land-based industries.

We are about to open a wetlands walk that meanders around a beautiful part of the campus featuring water flora and fauna.

St Piers College

We have recently redeveloped part of St Piers College to bring students with more complex needs into the main campus building. It has four new interlinking sensory classrooms, quiet spaces, tracking for hoists and an adjoining garden.

Residential housing

Two houses have recently been completely refurbished and redesigned with our changing student profile in mind. Each house features new facilities to meet the needs of students with more complex needs such as: tracking for hoists, wet rooms and wider doorways.

They are an excellent model for the next generation of residential accommodation and will provide a blueprint for all ongoing refurbishments.

What's next?

Student profile and numbers

The profile of our students at Young Epilepsy is continuing to change. This offers us great opportunities to learn, diversify and reach as many young people as possible who will benefit from our services.

To do this we must upgrade and invest in our facilities to meet the changing needs of our students. We are committed to a clear development plan that has already seen improved facilities for those with weight bearing difficulties and those with physical disabilities. We have also invested in the provision for young people with sensory disabilities who require specific approaches in their care.

A £300k grant from the Education Funding Authority (EFA) is helping us to develop a new facility to meet the specialist needs of students with autism.

The building will act as a sensory and therapy hub to help students with speech, language and mobility. A kitchen café and model office will also enable students to learn key employability skills.

In addition, the Young Epilepsy farm already provides a wonderful learning facility for students and we are currently setting up a farm shop. The shop will sell produce and will be staffed by students to develop their employability skills in a 'real' environment.

For more information visit:
youngepilepsy.org.uk/school-and-education-resource-centre



Meet Poppy

By making significant and ongoing changes to our buildings, technology and strategies, Young Epilepsy are now able to extend our services to students with more complex needs, such as Poppy.

Poppy is 19 years old and first came to Young Epilepsy in 2012. She has autism, absence epilepsy, visual impairment and other complex health issues. Although Poppy could stand for a few minutes if supported, she needed specialist staff and a hoist to get her around the campus.

When Poppy first arrived, she was a very anxious young lady who needed constant support and stimulation from staff. Specialist teams and an individual programme were quickly put in place to meet Poppy's complex needs. This included regular sessions of intensive interaction, which helped Poppy to feel much calmer and she particularly enjoyed music, interactive stories and going into the hydrotherapy pool.

New technology also played a key part in Poppy's development, such as an interactive whiteboard, which enabled her to touch and move pictures, activate music and make creative marks.

Occupational therapy and physiotherapy teams worked closely with Poppy to develop her motor skills. Her classroom and residential house were fitted with specialist equipment. Her physiotherapists also organised a supine standing frame and a walker to help Poppy stretch and strengthen her legs.

Now entering her third year at Young Epilepsy, Poppy is physically stronger, has much more self-esteem and is continuing to push her own boundaries. She recently went for a day trip to the Surrey Outdoor Learning and Development Centre and she is also taking on more purposeful tasks, such as collecting milk from the common room or delivering the post. She even recently helped to clean a local church.

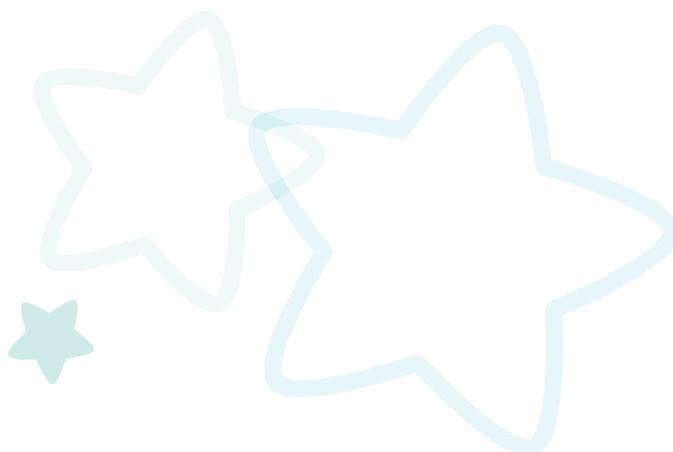


Poppy's mum has noticed real progress. In particular, she is delighted that Poppy can now go out to restaurants with the rest of the family and remain calm throughout – something they were unable to do in the past.

More importantly, Poppy is learning to make friends and communicate her needs, which will be crucial for when she leaves Young Epilepsy and moves to future placements.

“Poppy has improved so much. It is like a miracle...”

Sarah, Poppy's Mum



Report of the Trustees

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2013/2014

Financial Review

Incoming resources for the year of £27.5m represents a very similar level of turnover to the 2013 figures (£27.4m). These figures include £1.4m (2013 – £1.1m) of capital appeal fundraising income for the new school (amounts pledged being excluded from the accounts). The fees from Local Government and Health Authorities for the education, residential and assessment services were £24.1m (2013 – £23.3m) which represented 88% of incoming resources.

Net resources showed a surplus of £1.0m (2013 – £1.2m) as the charity delivered on its operating budget. While the increase in fee income demonstrates the continued demand for our specialist high quality disability services, it was another year with virtually no inflation uplifts in fees. Therefore the staff pay award and non-staff cost uplifts had to be funded from the increased contribution from new fees and savings plan and cost margins remain tight.

The main item within the capital expenditure of £1.6m was the commencement of building works on the new school which will be completed in January 2016.

The impact of the surplus for the year, after adjusting for depreciation, less the above capital expenditure was that the designated fund for building works stood at £2.6m at 31 July 2014. This fund will be fully utilised in the next financial year to meet capital costs of the new school building.

The Trustees consider that an ongoing review of financial strategy and performance is essential in order that the ambitious capital programme can be delivered. Therefore the strategic financial model is reviewed at each Trustee Meeting to ensure progress against financial targets is monitored and future financial scenario's modelled.

The net assets base of the charity at the year-end is £19.4m after accounting for the FRS17 determined final salary scheme liability of £4.6m. The tri-annual Actuarial Valuation results for April 2013 put the deficit, after a review of investment strategy, at £2.6m, therefore in negotiation with the Pension Scheme Trustees it was agreed that the current additional contributions of £332k were reasonable and therefore the funding rate will be unchanged until the impact of the next valuation in the 2016/17 financial year.

Reserves and investments

Reserves policy

In accordance with Charity Commission guidance, the Trustees have considered the adequacy of the Charity's reserves. The Charity Commission defines 'Free reserves' as those funds which are neither restricted, designated, nor applied as functional fixed assets. At 31 July 2014, the balance of such funds stood at approximately £5.3m, which represents around 12 weeks' operating expenditure at current levels. The Trustees have conducted a detailed review of future financial scenarios which could lead to calls on this reserve; these included working capital, fee income reduction from fall in student numbers and contingency planning. They concluded that this level of reserve was appropriate and that it would continue to be reviewed annually.

The financial model and scenario analysis presented to the trustees show that the level of this cash backed Free Reserve will be temporarily reduced over the next two years due to the new school capital expenditure. The Trustees approved commencement of this project in 2013 so as not to delay the opening of new facilities for the children, with the decision underpinned by the future fee activity levels and cash generation. To cover this period external funding facility has been put in place to maintain strong liquidity.

In accordance with Charities SORP, the pension fund deficit is shown as a liability against unrestricted funds. As noted in the financial review, a payment schedule has been agreed to eliminate this deficit over a period of years.

Designated funds

The Trustees policy is that a designated reserve, called the Building Fund, is maintained during this period of substantial capital expenditure. This fund represents the funds the charity has set aside to be available for the continued capital costs required for the redevelopment of the campus, and at the year-end was £2.6m.

Investments

The charity has investment powers under the Trustees Act 2000. During the course of the past year, there has been an unrealised gain of £14k in the charity's investments. The investments are held with Coutts and the Trustees undertook the annual review of performance at the September 2014 meeting including overall fund performance against total return benchmarks.

Governance, Legal & Management Information

Constitution

Young Epilepsy is the operating name of The National Centre for Young People with Epilepsy Charitable Trust, which is a charity registered with the Charity Commission (registered number 311877) and is regulated by a scheme of the Charity Commission dated 31 October 2002, as amended by deeds of amendment dated 22 January 2004 and 21 October 2004.

The charity has one corporate Trustee: The National Centre for Young People With Epilepsy, a company limited by guarantee registered in England (number 756798). The sole purpose of the corporate Trustee is to act as Trustee of the charity.

Ultimate responsibility for the activities of the Trustee lies with the Board of Directors of the corporate Trustee.

Directors

The Board members are deemed to be Directors for the purpose of the Companies Act 2006, and Trustees for the purpose of the Charities Act 2011. Throughout this document, they are referred to as Trustees. The Board usually meets eight times a year and administers the charity. In this, it is supported by a number of sub-committees, including a School and Further Education College Governing Body. A Chief Executive is appointed to manage the charity's day-to-day operations. New Trustees are appointed by the Directors and may be appointed for a maximum of two terms of three years, and for a third term under exceptional circumstances.

Young Epilepsy regularly seeks to refresh the Trust Board with Trustees who have the experience and expertise required to enable the charity to perform to a high level.

Public benefit

The Trustees confirm that in developing and reviewing the mission, values and activities of Young Epilepsy, along with the future strategic objectives, due regard has been given to the revised public benefit guidance issued by the Charity Commission.

The benefit to the public is incorporated in our Mission and Vision to provide better futures for young lives with epilepsy and associated conditions. The benefits of the services provided by Young Epilepsy are open to all people with referral, usually by their local authority, social services or the NHS (although occasional private pupils and students are also accepted if the service available is suitable for their needs). Support is provided to people in the school, college, assessment and rehabilitation service by the charity, based on their assessed needs.

Access to services is only limited by the levels of specialist medical and behavioural support the Young Epilepsy campus and workforce can manage and deliver appropriately (having explored all opportunities to make reasonable adjustments), in conjunction with the access criteria of the external placement agencies.

Young Epilepsy works hard to establish and maintain excellent community relations, including active engagement with the local community to mutual benefit. For example, it provides the Sure Start Children's Centre for Lingfield, Dormansland and Burstow under a contract with Surrey County Council.

Young Epilepsy provides a free telephone and email helpline service, together with information on the website, and numerous publications.

The section of this report entitled 'Achievements and Performance', sets out further details of the activities of Young Epilepsy in pursuit of its charitable objectives for the public benefit.

No private benefit is derived from the activities of the charity, by either the Trustees or parties related to them. Details of any reimbursed expenses are set out in the notes to the financial statements.

Risk management

Young Epilepsy is highly dependent on both public sector funding and voluntary donations – see Principal Activities – and in light of current public sector expenditure cuts, is looking carefully at how to respond to this challenging situation, which is likely to carry on for some time.

The Trustees are responsible for the management of the risks faced by the charity. Risks are identified and assessed, and controls put in place to minimise their impact. The key risks would be in poor or unsafe service delivery, serious incidents affecting students and a downturn in fee income. A formal review of Young Epilepsy's risk management assessments is undertaken annually.

The key controls used by the charity include:

- Formal agendas for all Committees and Board meetings.
- Detailed terms of reference for all Committees and governing bodies.
- Comprehensive strategic planning, budgeting and management accounting.
- Established structure and lines of reporting.
- Formal written policies.
- Clear authorisation and approval levels.
- Vetting procedures as required by law and written risk assessments.
- Regular liaison between Executive, staff and Trustees.
- Regular reviews of risk and associated mitigating actions by the Executive Team, Audit and Risk Committee and Trustees.

Employment

Young Epilepsy is committed to the principle of equal opportunity in employment. Employment policies for recruitment, selection, training, development and promotion are designed to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, religion, disability or sex. As an equal opportunities employer, and holder of the Disability 'Tick' Symbol, Young Epilepsy ensures that any applicant, who has a disability and meets the minimum selection criteria, will be guaranteed an interview, and every effort will be made, if at all practicable, to offer employment opportunities for prospective or existing staff with disabilities.

Employee consultation

Young Epilepsy places significant value on the involvement of its employees, and maintains its practice of consulting them on matters affecting them as employees.

This is achieved through formal meetings with the Staff Forum representing all staff, and informal meetings and the circulation of briefing materials. Young Epilepsy holds the Investor in People award, and was re-accredited with this award in January 2008. Young Epilepsy has had a formal agreement with the GMB union for Student Support Workers since 2002, and established the Staff Forum during 2007, to ensure effective communication and wider staff involvement.

Governance review

The Trustees are committed to having a high-quality, effective structure of management and governance. In order to ensure the roles, processes and procedures are aligned to the above commitment, have rolled out a review of governance arrangements approved by the Trust Board in 2010. The key recommendations implemented were as follows:

- Clarify the respective roles and responsibilities of Trustees, the Board, the Chair, the Chief Executive and Executive team, and the President.
- A shift away from sub-committees for some areas of work in favour of appointing 'Lead Trustees' to provide oversight in a more flexible and efficient way.
- Introducing maximum terms of office for Trustees, and a performance review process for the Board.
- Introducing a new process through which the Board or sub-committees approve key organisational policies.

Objectives and **Activities**

Established in 1897, Young Epilepsy is a national charity that is the UK's major provider of services to children and young people with epilepsy and associated learning, behavioural and emotional difficulties. Our mission is: 'Better futures for young lives with epilepsy and associated conditions'.

Core values

Young Epilepsy has as its core values honesty, empathy, integrity, trust and respect. These values underpin its service delivery and are reflected in its internal and external working relationships.

Principal activities

Young Epilepsy operates St Piers School, a non-maintained residential special school, and St Piers College, which provides further education for students, aged 19-25. Both are based on the charity's Surrey campus, along with the Connect2 service which offers support to young adults with extremely complex needs. The integration of the multidisciplinary service across the student day optimises outcomes and supports progression. Historically Young Epilepsy's on-campus residential houses operated only a term-time service. However, since the Jubilee Children's Home opened in 2005, the year-round capacity has steadily increased reflecting the increase in complexity of student needs. Altogether, up to 170 students use the residential services on campus (approximately 30% being with us all year), with up to 50 day students also attending.

The Lingfield campus is also home to the Neville Childhood Epilepsy Centre. This flagship medical facility provides diagnostic services, treatment, in addition to residential and outreach assessment and rehabilitation services, for children and young people with epilepsy and related neurological conditions. Young Epilepsy's growing research programme is based here, and training, teaching and professional development take place at the conference facilities.

Young Epilepsy runs a Sure Start Children's Centre for the local community, funded by Surrey County Council. This provides childcare, training and health services to families with children aged under five.

In terms of national reach, Young Epilepsy operates a range of services designed to support the 112,000 people, aged 25 and under in the UK, who are affected by epilepsy. This includes an information service for families and professionals, a training programme for schools, the 'champions' initiative, designed to raise awareness, conferences and courses.

Our People

Directors

The Board members during the year were as follows:

Mrs Anna Walker CB

Chairman

Mrs Kathryn Cearns FCA, FCCA

(resigned April 2014)

(Chairman, Audit and Risk Committee)

Ms June Davies MA, Bed. Hons

(Lead Trustee – Education and Residential Services, Chair of Education Governing Body)

Mr Michael Plant

Prof. J. Helen Cross MB, ChB, PhD, FRCP, FRCPCH

(Lead Trustee – Health and Research)

Mr Michael Sydney

(Lead Trustee – Trust Board Performance)

Mr Tony Chalkley BSc Est Man, MRICS

(Lead Trustee – Estate)

Mr Philip Hughes BSc, ACA

(Lead Trustee – Finance, Strategy)

Mr Benjamin Osborn

Mr Angelo Rombo

(resigned May 2014)

(Lead Trustee – Better Futures for the 112,000, Equality and Diversity)

Dr Anita Devlin

Mr Michael Kirilloff

Mr Nigel Kennedy

Mrs Wendy Eadsforth

Secretary

Mr Christopher Trotter FCA, MA, BA(Hons), DMS

Chief Executive

Mr David Ford BSc, MSc(Econ), MBA, CQSW

(resigned August 2013)

Ms Carol Long BSc (Hons), MSc, CQSW

(appointed April 2014)

Registered Office of the Corporate Trustee

The National Centre for Young People with Epilepsy (Operating as Young Epilepsy)

St Piers Lane

Lingfield

Surrey, RH7 6PW

Auditors

BDO LLP

Registered Auditors & Chartered Accountants

2 City Place

Beehive Ring Road

Gatwick, West Sussex, RH6 0PA

Bankers

Lloyds Bank plc

Public & Community Sector

3rd Floor, 25 Gresham Street

London, EC2V 7HN

Solicitors

Berwin Leighton Paisner

Adelaide House

London Bridge

London, EC4R 9HA

Statement of the **Trustees Responsibilities**

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

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the group's financial activities during the year, and of its and the charity's financial position at the end of the year (unless the charity is entitled to prepare accounts on the alternative receipts and payment basis). In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 group will continue in operation.

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. It is also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity, and which enable it to ensure that the financial statements comply with applicable law. The Trustees are also responsible for safeguarding the assets of the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, and to provide reasonable assurance that:

- The charity is operating efficiently and effectively.
- Its assets are safeguarded against unauthorised use or disposition.
- Proper records are maintained and financial information used within the charity or for publication is reliable.
- The charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

They include:

- An annual budget approved by the Trustees.
- Regular consideration by the Trustees of financial results and variance from budgets.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

This report has been produced in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005.

Signed on behalf of the Board of Trustees:



Anna Walker

Trustee

Date: 4 March 2015

Report of the **Independent Auditors**

To the Trustees of The National Centre for Young People with Epilepsy Charitable Trust

We have audited the financial statements of The National Centre for Young People with Epilepsy Charitable Trust (operating as Young Epilepsy) for the year ended 31 July 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustees, as a body, in accordance with the Charities Act 2011. 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.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement (set out on page 44), the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2014, and of the group's incoming resources and application of resources for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- The information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- Sufficient accounting records have not been kept; or
- The parent charity financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.



BDO LLP

Statutory Auditor

Gatwick, United Kingdom

Date: 5 March 2015

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

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of financial activities

for the year ended 31 July 2014

	Note	2014			2013
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£'000	£'000	£'000	£'000
Incoming resources:					
Donations, legacies and similar incoming resources	3	507	2,147	2,654	2,795
Activities in furtherance of the charity's objects					
Fees – local authorities and other supporting bodies		24,101	-	24,101	23,342
Grants		-	116	116	142
Activities for generating funds					
Investment income	4	110	-	110	112
Income from rents and meals		391	-	391	364
Miscellaneous		129	-	129	120
Profit on disposal of fixed assets		-	-	-	497
Total incoming resources		25,238	2,263	27,501	27,372
Resources expended:					
Cost of generating funds					
Routine Programme		610	-	610	562
School Capital Appeal costs		-	250	250	190
		610	250	860	752
Charitable activities					
Educational, medical and residential care		24,766	865	25,631	25,404
Governance costs		39	-	39	31
Total resources expended	6	25,415	1,115	26,530	26,187
Net incoming/(outgoing) resources before transfers		(177)	1,148	971	1,185
Transfers		3,856	(3,856)	-	-
Net incoming/(outgoing) resources		3,679	(2,708)	971	1,185
Other recognised gains and losses:					
Net gains on investment assets	10	14	-	14	149
Actuarial (loss)/gain on defined benefit pension scheme	13	(583)	-	(583)	19
Net movement on funds		3,110	(2,708)	402	1,353
Total funds brought forward		12,035	6,991	19,026	17,673
Total funds carried forward		15,145	4,283	19,428	19,026

The notes on pages 51 to 68 form part of these financial statements and all amounts relate to continuing activities.

Consolidated balance sheet at 31 July 2014

	Note	2014		2013	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	9		13,061		12,877
Investments	10		6,113		5,999
			<u>19,174</u>		<u>18,876</u>
Current assets					
Stocks		70		70	
Debtors	11	2,317		2,024	
Cash at bank and in hand		3,860		3,099	
		<u>6,247</u>		<u>5,193</u>	
Creditors: amounts falling due within one year	12	<u>1,416</u>		<u>806</u>	
Net current assets			4,831		4,387
Total assets less current liabilities and net assets excluding pension scheme liability			24,005		23,263
Defined benefit pension scheme liability	13		(4,577)		(4,237)
Net assets including pension scheme liability			<u>19,428</u>		<u>19,026</u>
Funds					
Restricted funds:					
Revenue	14	3,079		2,885	
Fixed assets	14	1,204		4,106	
			4,283		6,991
Unrestricted funds:					
Designated funds	15	2,553		2,294	
Funds representing functional fixed assets	15	11,857		8,771	
Free reserves	15	5,312		5,207	
Pension reserve	15	(4,577)		(4,237)	
			15,145		12,035
Total funds			<u>19,428</u>		<u>19,026</u>

The financial statements were approved by the Board and authorised for issue on

Anna Walker

Anna Walker

Trustee

Date: 4 March 2015

Charity balance sheet

at 31 July 2014

	Note	2014		2013	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	9		12,107		12,877
Investments	10		6,113		5,999
			18,220		18,876
Current assets					
Stocks		70		70	
Debtors	11	3,277		2,028	
Cash at bank and in hand		3,855		3,095	
		7,202		5,193	
Creditors: amounts falling due within one year	12	1,415		805	
Net current assets			5,787		4,388
Total assets less current liabilities and net assets excluding pension scheme liability			24,007		23,264
Defined benefit pension scheme liability	13		(4,577)		(4,237)
Net assets including pension scheme liability			19,430		19,027
Funds					
Restricted funds:					
Revenue	14	4,033		2,885	
Fixed assets	14	250		4,106	
			4,283		6,991
Unrestricted funds:					
Designated funds	15	2,429		2,294	
Funds representing functional fixed assets and amounts owed from subsidiary company	15	11,983		8,787	
Free reserves	15	5,312		5,192	
Pension reserve	15	(4,577)		(4,237)	
			15,147		12,036
Total funds			19,430		19,027

The financial statements were approved by the Board and authorised for issue on

Anna Walker

Anna Walker

Trustee

Date: 4 March 2015

The notes on pages 51 to 68 form part of these financial statements.

Consolidated cash flow statement

at 31 July 2014

	2014	2013
Note	£'000	£'000
Net cash inflow from operating activities	2,006	1,722
Net movement in current assets and liabilities	317	(222)
Returns on investments and servicing of finance		
Interest received	110	112
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,572)	(1,785)
Purchase of investments	(1,070)	-
Proceeds on disposal of tangible fixed assets	-	497
Cash (outflow)/inflow before use of liquid resources	(209)	324
Management of liquid resources		
Decrease/(increase) in long term deposits	970	(103)
Increase in cash	761	221

Deposit accounts held for long-term income generation are shown within investments in the balance sheet. These are treated as liquid resources for the purpose of the cash flow statement. As the charity has no borrowings, no further analysis of cash and liquid resources is presented as all movements are shown in the cash flow statement.

Notes forming part of the financial statements

for the year ended 31 July 2014

1 Company status

The Company is limited by guarantee; the liability of each member in the event of the company winding up is limited to £1. The Company is a registered charity.

2 Accounting policies

a) The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued March 2005 (SORP 2005).

b) Consolidation

The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements of the charity and its subsidiary undertaking (see note 19). The results of the subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the charity alone as permitted by paragraph 397 of the SORP 2005.

c) Incoming resources

Incoming resources are accounted for on an accruals basis, except donations which are accounted for when received. Income received net of taxation recoverable is accounted for gross. Fee income from contracts is accounted for with regard to any in-year admissions and leavers along with any contractual reviews of service levels.

d) Resources expended

Resources expended are accounted for on an accruals basis. Costs are attributed directly to activities where possible on either actual or estimated time basis. Indirect costs are shown as support costs, where these relate to the infrastructure in which charitable services are provided, including gaining support for the furtherance of the charity's objectives. Governance costs comprise those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

e) Fixed assets

Capital assets costing below £10,000 have been written off in the year in which the expenditure is incurred. Assets above £10,000 are capitalised in the Balance Sheet.

f) Investments

Listed investments are shown at market value. Realised and unrealised gains on listed investments are taken to the fund to which they relate in the Statement of Financial Activities.

Notes forming part of the financial statements (cont)

2 Accounting policies (cont)

g) Depreciation

Depreciation has been provided on tangible fixed assets at the following rates which are anticipated to reduce their cost to residual value by the end of their expected useful lives.

Buildings	Between 4% and 20% on cost
Plant and Machinery	20% on cost
Motor Vehicles	25% on reducing balance

Donated fixed assets are capitalised at their open market values at time of donation and depreciated in line with the above rates..

h) Stocks

Stocks are stated at the lower of cost and net realisable value, cost being calculated on a first in first out basis.

i) Pensions

The charity has four principal pension schemes for staff, the St Piers Lingfield Retirement Benefits Scheme, the Teachers' Pension Scheme (TPS), the NHS Pension Scheme and The Pensions Trust. The first three schemes are defined benefit schemes, which are externally funded and contracted out of the State Second Pension.

St Piers Lingfield Retirement Benefits Scheme

During the year, the charity operated a defined benefit scheme, which had been closed to new members on 7 April 2000, hence any liabilities will be restricted to current members only, and this number will decline over time.

The difference between the fair value of the assets held in the St Piers Lingfield Retirement Benefits Scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the charity's balance sheet as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the charity is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. The pension scheme balance is recognised net of any deferred tax balance.

Teachers' Pension Scheme

Pension costs in respect of the TPS charged to the SOFA are equal to the contributions paid to this arrangement. The contribution rate is calculated in such a way that it is a substantially level percentage of current and future pensionable payroll. Not less than every four years, with a supporting interim valuation in between, the Government Actuary conducts a formal actuarial review of the TPS in order to specify the level of future contributions.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contributions by the charity are charged to the SOFA in accordance with FRS 17 'Retirement Benefits'. Under the definitions set out in Financial Reporting Standard 17 (Retirement Benefits), the Teachers Pension Scheme is a multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Notes forming part of the financial statements (cont)

2 Accounting policies (cont)

NHS Pension Scheme

Contributions paid to the NHS Pension Scheme are in respect of individuals who are on short-term contracts with the charity, typically six months. Consequently, in the opinion of the Trustees, this scheme is immaterial in the context of the disclosure requirements of FRS 17 'Retirement Benefits'.

Pensions Trust

A money purchase pension scheme with The Pensions Trust is available to all members of staff.

j) Fund accounting

The treatment of restricted and designated funds is explained in notes 14 and 15.

Pension reserve:

This reserve has been created within unrestricted funds in compliance with SORP 2005.

3 Donations, legacies and similar incoming resources

	2014	2013
	£'000	£'000
New capital appeal – school	1,398	1,093
Projects and residential house funds	-	893
National Services Programmes	60	64
Epilepsy Infancy Study	100	126
Unrestricted income	506	503
Blagrave Trust	40	-
Research Funds	150	35
Big Lottery Fund	32	81
EFA	364	-
	2,654	2,795

4 Investment income

	2014	2013
	£'000	£'000
Investment income	99	105
Interest from bank deposit account	11	7
	110	112

Notes forming part of the financial statements (cont)

5 Employees

	2014	2013
	£'000	£'000

Staff costs consist of:

Wages and salaries	17,594	17,649
Social security costs	1,122	1,346
Other pension costs	788	743
	19,504	19,738

The average number of employees during the period was:

Teaching and education support staff	216	218
Residential care	414	400
Medical and clinical staff	83	92
Other staff	109	109
	822	819

Full time equivalent

	675	659
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Number of staff with total remuneration (including settlements and benefits) greater than: £60,000 in bands of £10,000	Education, medical, therapy No.	Executive staff No.	2014	2013
			No.	No.
£60,001 – £70,000	2	-	2	3
£70,001 – £80,000	-	1	1	4
£80,001 – £90,000	1	2	3	4
£90,001 – £100,000	1	-	1	1
£100,001 – £110,000	-	1	1	-
£110,001 – £120,000	-	1	1	-
£200,001 – £210,000	-	-	-	1
	4	5	9	13

Contributions made in the year for the provision of money purchase benefits on behalf of 3 (2013 – 2) higher paid employees was £7,329 (2013 – £8,332). There were 4 (2013 – 4) higher paid staff to whom retirement benefits are accruing under defined benefit schemes.

Notes forming part of the financial statements (cont)

6 Total resources expended

	Education, Medical and Residential Care	Fundraising	Governance	Total 2014	2013
	£'000	£'000	£'000	£'000	£'000
Staff costs	16,658	475	-	17,133	16,739
Other direct expenditure	1,518	385	14	1,917	1,709
Support staff costs	2,801	-	-	2,801	2,999
Support costs	3,265	-	-	3,265	3,432
Auditors remuneration:					
Audit services	-	-	25	25	21
Depreciation	1,389	-	-	1,389	1,287
2014 Total	25,631	860	39	26,530	26,187
2013 Total	25,404	752	31	26,187	

7 Trustees' transactions

The Trustees do not receive any remuneration in respect of their services. Expenses reimbursed in line with the Trustees Expenses Policy were £13,648 (2013 – £6,114), the increase reflecting the greater geographic spread of Trustees and increase in meetings. Trustees indemnity insurance costs were £4,768 (2013 – £4,768).

8 Taxation

No liability to UK Corporation tax arises from these accounts as the activities of the charity are exempt under S505 ICTA 1988.

Notes forming part of the financial statements (cont)

9 Tangible assets

	Freehold land and buildings	Plant and machinery	Motor vehicles/tractors	Assets under construction	Total
Group	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2013	22,569	806	256	1,753	25,384
Additions	-	94	54	1,424	1,572
Transfers	1,953	-	-	(1,953)	-
At 31 July 2014	24,522	900	310	1,224	26,956
Depreciation					
At 1 August 2013	11,538	759	210	-	12,507
Provided for the year	1,282	30	76	-	1,388
	12,820	789	286	-	13,895
Net book value					
At 31 July 2014	11,702	111	24	1,224	13,061
At 31 July 2013	11,031	47	46	1,753	12,877
Charity					
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2013	22,569	806	256	1,753	25,384
Additions	-	94	54	470	618
Transfers	1,953	-	-	(1,953)	-
At 31 July 2014	24,522	900	310	270	26,002
Depreciation					
At 1 August 2013	11,538	759	210	-	12,507
Provided for the year	1,282	30	76	-	1,388
	12,820	789	286	-	13,895
Net book value					
At 31 July 2014	11,702	111	24	270	12,107
At 31 July 2013	11,031	47	46	1,753	12,877

Freehold land and buildings have been included in the balance sheets at historic cost less the depreciation charged on the buildings. All assets are held for direct charitable use.

Notes forming part of the financial statements (cont)

10 Investments

	Group and charity	
	2014	2013
	£'000	£'000
Market value as at 1 August 2013	5,999	5,747
Additions	100	103
Net unrealised gains/(losses)	14	149
Market value as at 31 July 2014	6,113	5,999

The historical cost of investments at 31 July 2014 is £5,891,000 (2013: £5,769,000)

	Group and charity	
	2014	2013
	£'000	£'000
The investments are analysed as follows:		
Building Society Deposits	3,443	3,417
Coutts Deposit Account	358	1,354
Coutts Investment Portfolio	2,312	1,228
	6,113	5,999
UK Equities	1,249	801
Overseas Equities	483	297
UK Fixed Interest	-	67
Overseas Hedge Funds	55	62
Cash on deposit in UK	3,893	4,772
Bonds	324	-
Commodities	32	-
Properties	77	-
Market value as at 31 July 2014	6,113	5,999

The Coutts investments comprise of two separate portfolios that have three to five and five to eight year objectives. Each has a wide spread across: equities, bonds, alternative investments, property, commodities and cash.

Notes forming part of the financial statements (cont)

11 Debtors

	Group		Charity	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Operating debtors	2,091	1,261	2,091	1,261
Other debtors	144	393	24	381
Prepayments	82	121	82	121
Accrued income	-	249	-	249
Amounts owed by subsidiary undertaking	-	-	1,080	16
	2,317	2,024	3,277	2,028

All amounts shown under debtors fall due for payment within one year.

12 Creditors: amounts falling due within one year

	Group		Charity	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Operating creditors	514	24	514	24
Accruals and deferred income	902	782	901	781
	1,416	806	1,415	805

13 Pension schemes

St Piers Lingfield Retirement Benefits Scheme

The charity operates the St Piers Lingfield Retirement Benefits Scheme which is a defined benefit scheme now closed to new members. The last formal actuarial valuation of this scheme was carried out as at 5 April 2013 and the results of that valuation have been updated to 31 July 2014 by a qualified independent actuary.

The scheme was closed to new entrants on 7 April 2000, and as such the current service cost as a percentage of pensionable payroll is likely to increase as the membership ages, although it will be applied to a decreasing pensionable payroll.

Following the last completed actuarial valuation, the employer agreed to pay annual contributions from 1 January 2014 of 17.5% of members' pensionable salaries each year as well as £9,000 per month in respect of administrator expenses less employee contributions, plus payments to pay off the deficit of £332,000 per annum from 1 January 2014 to 30 November 2022 inclusive. The employer expects to pay £523,000 to the scheme during the accounting year beginning 1 August 2014.

Notes forming part of the financial statements (cont)

13 Pension Schemes (cont)

The financial assumptions used by the actuary to calculate scheme liabilities under FRS 17 were as follows:

Assumptions	2014	2013
Rate of increase in salaries	2.00%	2.00%
Rate of increase in pensions in payments for current pensioners		
Pre 2005 benefits	3.40%	3.40%
Post 2005 benefits	2.50%	2.50%
Rate of increase in pension payments for future pensioners		
Pre 2005 benefits	3.80%	4.10%
Post 2005 benefits	2.50%	2.50%
Discount rate	4.20%	4.60%
Rate of increase for deferred pensioners pre 5 April 2009 pension	2.30%	2.40%
Inflation (RPI)	3.30%	3.40%
Inflation (CPI)	2.30%	2.40%

The mortality assumptions adopted at 31 July 2014 imply the following life expectancies at age 65:

Assumptions	2014	2013
Mortality (Pre retirement) – demographic	90%AMC00/100%AFC00	90%AMC00/100%AFC00
Mortality (Post retirement) – demographic	S1PA CMI_2013M/F[1.00%] (yob)	S1PA CMI_2012_M/F[1.00%] (yob)
Male currently age 45	23.3 years	23.4 years
Female currently age 45	25.7 years	25.9 years
Male currently age 65	21.9 years	22.0 years
Female currently age 65	24.1 years	24.3 years

The overall expected return on assets assumption of 4.8% (4.5% in 2013) has been derived by calculating the weighted average of the expected rate of return for each asset class. The following approach has been used to determine the expected rate of return for each asset class:

Corporate bonds	- the yield on iBoxx over 15 year AA rated sterling corporate bond index
Diversified growth fund	- the net dividend yield on the FTSE All Share Index plus RPI inflation assumption plus 1.5% pa dividend growth less investment expenses of 0.75%pa
Cash	- current Bank of England base rate
Scheme expenses	- allowance for deduction of 0.85%

Notes forming part of the financial statements (cont)

13 Pension schemes (cont)

	Value at 2014 assets £'000	% of total scheme	Value at 2013 assets £'000	% of total scheme
The assets in the scheme were:				
Equities	-	-	5,548	54%
Bonds	5,277	49%	1,374	13%
Gilts	-	-	2,306	23%
Cash	212	2%	831	8%
Other	5,272	49%	164	2%
Total market value of assets	10,761		10,223	
Present value of scheme liabilities	(15,338)		(14,460)	
Net pension liability	(4,577)		(4,237)	
The actual return on assets over the period was	383		750	

	2014 £'000	2013 £'000
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Analysis of changes in the value of the scheme liabilities over the year:

Opening present value of the defined benefit obligation	14,460	13,956
Service cost	108	145
Interest cost	659	562
Member contributions	74	79
Benefits paid	(466)	(725)
Actuarial losses	503	443
	15,338	14,460

Analysis of changes in the value of the scheme assets over the year:

Opening present value of the defined benefit obligation	10,223	9,559
Expected return on scheme assets	463	288
Actuarial losses	(80)	462
Employer contributions	547	560
Member contributions	74	79
Benefits paid	(466)	(725)
Closing present value of the defined benefit obligation	10,761	10,223

Notes forming part of the financial statements (cont)

13 Pension schemes (cont)

	2014		2013	
	£'000	£'000	£'000	£'000
Analysis of the amounts charged to Statement of Financial Activities:				
Current service cost	(108)		(145)	
Total service cost		(108)		(145)
Other finance income	(659)		(562)	
Expected return on pension scheme assets	463		288	
Net finance charge		(196)		(274)
Total pension cost charged to the Statement of Financial Activities		(304)		(419)

Analysis of actuarial (loss)/gain recognised in the Statement of Financial Activities:

Actual return less expected return on pension scheme assets		(80)		462
Experience gains and losses arising on the schemes liabilities		-		-
Changes in assumptions underlying the present value of the scheme liabilities		(503)		(443)
Total (loss)/gain recognised in the Statement of Financial Activities		(583)		19

	2014	2013
	£'000	£'000

Movement in deficit during the year:

(Deficit) in scheme at the beginning of the year	(4,237)	(4,397)
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Movement in year:

Current service cost	(108)	(145)
Net finance charge	(196)	(274)
Contributions	547	560
Actuarial loss	(583)	19
(Deficit) in scheme at end of year	(4,577)	(4,237)

Notes forming part of the financial statements (cont)

13 Pension schemes (cont)

	2014	2013	2012	2011	2010
	£'000	£'000	£'000	£'000	£'000
History of experience gains and losses:					
Market value of scheme assets	10,761	10,223	9,559	8,807	7,813
Value of scheme liabilities	15,338	14,460	13,956	11,694	10,622
Surplus/(deficit) in the scheme	(4,577)	(4,237)	(4,397)	(2,887)	(2,809)
Gains/(losses) arising on Scheme liabilities:					
Due to experience	-	(534)	14	-	166
% of liabilities	0%	(4%)	0%	0%	2%
Due to change of basis	503	91	(1,797)	(620)	(722)
% of liabilities	(3%)	1%	(13%)	(5%)	(7%)
Experience gains/(losses):					
Arising on Scheme assets	(80)	462	(64)	482	589
% of assets	(1%)	5%	(1%)	5%	8%

The amounts shown in the table above for the value of assets at the earliest date have not been restated to include quoted securities valued at bid price rather than mid-market price.

The cumulative amount of actuarial gains and losses recognised in the Statement of Recognised Gains and Losses (since 2002) within the Statement of Financial Activities are losses of £4,411,000.

Notes forming part of the financial statements (cont)

13 Pension schemes

Teachers' Pension Scheme

Under the definitions set out in Financial Reporting Standard 17 – Retirement Benefits, the Teacher's Pension Scheme (TPS) is a multi-employer pension scheme. As the TPS is underwritten by central government and the university has no future obligation to make contributions to the scheme, this is effectively a defined contribution scheme in so far as it affects the charity. As a result, contributions to this scheme are accounted for as if the scheme was a defined contribution scheme.

The charity has set out the information available on the scheme and the implications for the charity in terms of the anticipated contribution rates.

The employers' contribution rates for the charity's academic staff were 14.1% of pensionable salaries from 1 August 2013 to 31 July 2014.

The Teachers' Pension Scheme is a statutory, contributory, unfunded, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. Contributions are credited to the Exchequer on a 'pay as you go' basis under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the scheme for the purposes of determining contribution rates.

The last valuation of the TPS related to the period 1 April 2004 to 31 March 2012. The Government Actuary's report of June 2014 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191.5 billion. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176.6 billion. The assumed real rate of return is 3% in excess of prices and 1.25% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed gross rate of return is 5.06%.

The next formal actuarial valuation is due as at 31 March 2016.

Notes forming part of the financial statements (cont)

14 Restricted funds – Group and charity

	As at 31 July 2013	Incoming resources	Resources expended and transfers	Transfer	As at 31 July 2014
	£'000	£'000	£'000	£'000	£'000
Revenue					
Research Funds	129	150	(59)	-	220
Big Lottery Project – CEIS	16	32	(48)	-	-
National Services Programmes	129	60	(147)	-	42
Epilepsy Infancy Study	126	100	(24)	-	202
New School Capital Appeal Fund*	1,548	1,398	(250)	(954)	1,742
Blagrave Trust	-	40	(6)	-	34
Other funds	842	90	(397)	-	535
St Piers Farm Development	95	29	(124)	-	-
EFA grants	-	364	(60)	-	304
Restricted funds wholly represented by net current assets	2,885	2,263	(1,115)	(954)	3,079
Capital					
Jubilee House	178	-	-	(178)	-
Neville Childhood Epilepsy Centre	3,642	-	-	(3,642)	-
Main Hall	286	-	-	(286)	-
New School Capital Appeal Fund*	-	-	-	1,204	1,204
Restricted funds wholly represented by fixed assets	4,106	-	-	(2,902)	1,204
	6,991	2,263	(1,115)	(3,856)	4,283

* – The New School Capital Appeal Fund is split between revenue and capital funds due to the project now being in the building phase. The amount shown in the capital category represents fixed asset expenditure of which £954,000 has been incurred within the trading subsidiary. The charity only restricted funds therefore reflects those funds as remaining within the revenue category.

Fund accounting

Where funds are received for specific purposes set out by the donor or implied by the terms of appeal, these are shown as restricted income in the Statement of Financial Activities. Expenditure for the purposes specified is applied against the income and any amounts unexpended at the balance sheet date are shown within restricted funds. Amounts used to purchase tangible fixed assets are transferred to funds representing functional fixed assets at the time the assets are acquired.

Capital funds

The three projects brought forward were completed between 2003-2012. It is considered that the donor wishes for each of those appears to have been fulfilled and therefore the remaining balances have been transferred to unrestricted funds as of 1 August 2013.

Transfers in relation to the new school fund relate to the reallocation of funds amounting to £1,204,000 expended on capitalised costs and the reimbursement of capital appeal costs amounting to £250,000 from unrestricted funds.

Notes forming part of the financial statements (cont)

14 Restricted funds – Group and charity

New school

This represents monies raised to date to part fund the building of a new school on the campus. It should be noted that in 2013/2014, The Peter Harrison Foundation gave £233,000 in November 2013 and £333,000 in July 2014 (2012/13 £100,000) as part of a larger pledge. The James Lewis Foundation gave £62,500 in May 2014 (2012/13 £62,500) as part of a larger pledge.

15 Unrestricted funds

	As at 31 July 2013	Net movement on unrestricted funds	Transfers	As at 31 July 2014
Group	£'000	£'000	£'000	£'000
Designated funds				
Building Fund	2,294	-	259	2,553
Undesignated funds				
Funds representing functional fixed assets	8,771	(1,388)	4,474	11,857
Free reserves	5,207	982	(877)	5,312
Pension reserve	(4,237)	(340)	-	(4,577)
Total unrestricted funds	12,035	(746)	3,856	15,145
Charity				
	£'000	£'000	£'000	£'000
Designated funds				
Building fund	2,294	-	135	2,429
Undesignated funds				
Funds representing functional fixed assets and amount owed from subsidiary company	8,787	(1,388)	4,584	11,983
Free reserves	5,192	983	(863)	5,312
Pension reserve	(4,237)	(340)	-	(4,577)
Total unrestricted funds	12,036	(745)	3,856	15,147

Fund accounting

The Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within unrestricted funds. Where the Trustees decide such funds are no longer required for the purposes intended, they may be released by transfer to the free reserves fund. Net transfers into unrestricted funds are represented by the transfer in of restricted fund capital items where the donor's wishes are considered to be fulfilled amounting to £4,106,000 and transfers out of funds to settle the new school appeal costs amounting to £250,000.

Notes forming part of the financial statements (cont)

15 Unrestricted funds (cont)

Functional fixed assets

This represents the fixed assets used to provide the charitable activities separately identified in order to clearly identify the free reserves of the charity.

Designated building fund

As per the Trustees Report this has been set up to hold the operating surplus generated to fund the capital works as per the Capital Expenditure Programme approved by the Trustees. The net requirement, after grant and fundraising receipts is anticipated to be £7m in the period to the end of the 2017 financial year.

16 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Group			
Tangible fixed assets	11,857	1,204	13,061
Investments	6,113	-	6,113
Net current assets	1,752	3,079	4,831
Total assets less current liabilities	19,722	4,283	24,005
Defined benefit pension scheme liability	(4,577)	-	(4,577)
Net assets	15,145	4,283	19,428
Charity			
Tangible fixed assets	11,857	250	12,107
Investments	6,113	-	6,113
Net current assets	1,754	4,033	5,787
Total assets less current liabilities	19,724	4,283	24,007
Defined benefit pension scheme liability	(4,577)	-	(4,577)
Net assets	15,147	4,283	19,430

Notes forming part of the financial statements (cont)

17 Net cash inflow from operating activities and current asset and liability movement

	2014	2013
	£'000	£'000
(a) Net cash inflow from operating activities		
Net incoming resources	971	1,185
Adjustment for pension funding	(243)	(141)
Depreciation	1,388	1,287
Investment income	(110)	(112)
Gain on disposal of fixed assets	-	(497)
Net cash inflow from operating activities	2,006	1,722
(b) Movement in current assets and liabilities		
Decrease in stocks	-	-
Increase in debtors	(293)	(226)
Increase/(decrease) in creditors	610	4
	317	(222)

18 Capital commitments

During the year the tender was awarded for the new school building, therefore contractual commitments represent contracts for professional fees and the building contractor. The authorised sum is for the other parts of the capital budget, mainly equipment and furnishings, to be procured in the later stages of the build.

	2014	2013
	£'000	£'000
Contractual – Design Stage Work	8,915	340
Authorised but not yet contractual	1,418	150
	10,333	490

Notes forming part of the financial statements (cont)

19 Subsidiary company

The charity owns the whole of the issued ordinary share capital of St Piers (Services) Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities, namely to develop facilities for disabled children. The subsidiary company used to prepare its financial statements to the year 31 March but this has been changed to 31 July to be in line with the charity's year end. All activities have been consolidated on a line by line basis in the SOFA. The results below are for the period to 31 July 2014.

	2014	2013
	£'000	£'000
Turnover	-	-
Cost of sales/administrative expenses	(1)	(1)
Net loss	(1)	(1)

The aggregate of the assets, liabilities and funds was:

Assets	1,078	16
Liabilities	(1,538)	(475)
	(460)	(459)

20 Results of the parent charity

Included in the consolidated statement of financial activities are the following amounts in respect of the charity:

	2014	2013
	£'000	£'000
Total incoming resources	27,501	27,372
Total resources expended	(26,529)	(26,186)
Net gain on investment assets	14	149
Actuarial (loss)/gain defined benefit pension scheme	(583)	19
Net movement in funds	403	1,354



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The True Colours Trust
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Vitaflo International Ltd
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For their generous and longstanding support in the year to 31 July 2014

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