



Epilepsy Society
Group Financial Statements
and Annual Report
for the year ended
31 March 2023

The Chalfont Centre
Chesham Lane, Chalfont St Peter,
Buckinghamshire SL9 0RJ

Registered charity: 206186
Company limited by guarantee: 492761

Contents

	Page
Chair's Review	1
Letter from the Chief Executive	3
Trustees' Annual Report (Strategic Report and Directors' Report)	5
Independent Auditor's Report	23
Consolidated Statement of Financial Activities	27
Balance Sheets	28
Consolidated Cashflow Statement	29
Notes to the Financial Statements	30
Trustees, Officers and Advisors	56

This is my first letter as Chair of the Epilepsy Society, so I would like to begin both by introducing myself and, importantly, paying tribute to Peter Worthington, our Chair for the last five years. Peter's calm and unwavering leadership has steered us through unparalleled times. Covid-19 forced us all to rethink how we work and support our beneficiaries, often in life-or-death situations. It is a testimony to the charity, under his tenure, that we did not lose any of the vulnerable people in our residential homes.

Peter has steadied the ship through choppy waters while keeping a remarkable "business as usual" agenda in full swing. In spite of the pandemic, we have pressed ahead with some of the most ambitious plans in the history of the Epilepsy Society – plans to release the wealth that is buried in our 300-acre site in Buckinghamshire and use it to fund ground-breaking research. A challenge at the best of times, but Peter took it on at arguably the worst of times.

I have been working alongside Peter as Vice-Chair of the Society, so have experienced first-hand his professionalism and clear-headed thinking. His ability to deal with the big issues while acknowledging that the devil's in the detail.

I feel privileged to be taking up the baton at what is a critical time for the charity and am pleased that Peter will be remaining on the Board. The Epilepsy Society provides world-leading research, advocacy and care and has a long and proud history of transforming the lives of people with epilepsy. We are on the cusp of being able to further revolutionise the diagnosis and treatment of epilepsy and bring pioneering new techniques to more of the over 600,000 people with epilepsy in the UK.

I look forward to helping the Society achieve its goal of enabling scientists to change lives through the most innovative techniques available. And here's why.

My background is in senior public service, business and education. But I am also an adviser with Citizens Advice where, significantly, I meet a disproportionate number of people with epilepsy. I see the enormous challenges that epilepsy presents across education, employment and personal lives, and its impact on mental wellbeing. Additionally, I have personal experience of epilepsy through a family member. I feel privileged to be at the helm of a charity that is wholly committed to change and improvement at every level.

At the Epilepsy Society, we know that our staff are our greatest asset. They are who we are. As trustees, we are ever aware that while external challenges may fluctuate, the dedication of our staff never does.

This year has been one of the most financially challenging years to date with the cost-of-living crisis tearing, like a hurricane, through every crevice of our purses. There is nowhere that we haven't felt the pinch from rising gas and electricity bills to everyday essentials such as bread and milk. We know that it costs everyone on our payroll more to come to work, while the monthly pay packet is under-performing in comparison with this time last year.

We work hard at the Epilepsy Society to balance income against expenditure. Our goal is always a break-even budget that delivers value for money and fairly rewards our incredibly committed employees. That is why we have taken a very hard look at our budget and, with frugality and some fine tuning, have been pleased to be able to introduce measures to lessen the financial burden slightly for staff and help with personal budgeting during these difficult times.

Although our costs have increased, so too has our income. We have had some welcome success in persuading commissioners to share the burden of increases in our fees for delivering commissioned health and social care services. Our voluntary income has risen to £3.4m and we have invested some of our surplus cash to deliver higher interest returns.

Consequently, the Management Board has been able to award a cost-of-living bonus to all employees, excluding themselves, and have increased long-service awards for permanent staff to recognise significant milestones and the dedication of employees. We feel this is particularly important. And, in spite of all the challenges, we are pleased to be able to plan for a modest pay rise for all staff in the financial year ending March 31 2024.

Alongside our endeavours to reduce the financial burden, we are also offering our care teams a free “tea and toast” breakfast, prior to starting work. And for all staff, there is a package of financial advice including entitlement to benefits and debt management.

But supporting our staff and those we care for is not all about finance. We are proud to live by our values at the Epilepsy Society – Caring, Accountable, Improving, Respectful and Open. As a charity we are wholly committed to Equality, Diversity and Inclusivity (EDI) across the workforce. We have robust policies in place to ensure that our values are the cement that holds the bricks of the Society together. But we don't want our values to sit dormant in a set of digitally dusty policies, filed away on a hard drive. We want them to be a part of our everyday.

So, we have been working with an external consultant to do a deep dive into key areas of our work including, most recently, EDI. The results have been very positive, and we have much to celebrate, but there are also learnings. While the desire to be inclusive is implicit in everything we do, we're not always good at sharing that intent. So, we are recruiting a dedicated internal communications manager to really raise the profile in this area and ensure that everyone – not just us - knows they are welcome, included and appreciated.

American businesswoman, Claudia Brind-Woody, a renowned champion of diversity, famously said: “Smart teams will do amazing things, but truly diverse teams will do impossible things.” I agree. And I look forward to helping achieve the impossible at the Epilepsy Society.

Kate Alcock
Chair

It may seem unusual to open our annual accounts with the news that we have invested in a generator. But I'm really rather proud of it. The generator is perched aboard a cement plinth and, in the event of an outage, it will provide back-up power to the whole of our estate in Buckinghamshire. In truth, it enables me to sleep far more easily at night.

I no longer have to worry about electricity cuts that could affect the people who live in our care, many of whom require sophisticated technology to monitor seizures throughout the night. I no longer have to worry that the freezers which store thousands of samples of DNA, vital for our genomic research, might fall prey to an outage. Or that the more than 600,000 people with epilepsy across the UK will not be able to seek the support of our Helpline team because the lines have gone down. And, importantly, we can guarantee staff a constant stream of teas and coffee on cold, blustery mornings.

A generator may not seem glamorous or exciting, but its capacity to bring calm and continuity is unrivalled. It enables us to face the future with confidence.

Future-proofing the charity has been high on our priority list over the last year. Most notably we have submitted our ambitious planning application that could ensure the long-term sustainability of the charity and radically change the landscape of epilepsy. It is an exciting milestone and one that has required us to hold our nerve.

Much of our 300-acre site is designated green belt land and, quite rightly, there needs to be very good reason to build on it. We believe, without question, that there is. By developing less than 40 per cent of our estate for housing, we could raise over £100 million to invest in epilepsy research. It could be a gamechanger for those with uncontrolled seizures, paving the way for better, faster diagnosis and treatments.

As I write this, we are still awaiting a decision by local planners but we are grateful for the 6,000 plus people who have signed our petition in support of the application. It is a local solution to a condition that affects over 600,000 people across the UK and we are working hard to make sure the planners appreciate our plans are about enabling world-leading scientists to push forward the boundaries of medical research in the field of epilepsy.

Our researchers carry out incredible work. This year they have analysed many of our 5,000 DNA samples as well as securing data around Sudden Unexpected Death in Epilepsy to ensure robust results in this important area of research. We have a team of MSc and PhD students who are undertaking multidisciplinary projects that will strengthen our multimodal approach to understanding the biology of epilepsy. We provide the only epilepsy genomics clinic for adults in the UK as well as having led on new international guidelines for genetic testing in the epilepsies.

But, without big investment, we won't be able to realise the merits of this pioneering work. We won't be able to deliver results and change lives. That is why we must build. Ground-breaking plans for ground-breaking research.

Of course, we are constantly ensuring the services that we provide are fit for the future. The world is ever-changing and we must keep pace. One of our most exciting ventures this year has been the introduction of online chat as a new means of contacting our Helpline.

As always, the best ideas come from our supporters. In a survey of 1,000 people affected by epilepsy, over half said that they would like to access our Helpline via online chat. And evening opening hours were the most popular choice for 25-34 year olds. So, we have extended our opening hours to include Monday evenings and Saturday mornings. And we've introduced web chat.

In spite of the myriad ways that people connect these days – mainly via social media – we know that many young people are not confident about talking on the phone. It's not what they do. But the stigma, challenges and emotional impact of epilepsy affects them in the same way that it has affected generations over the decades. And we want to be there for them. So, it is gratifying to be able to reach new audiences via web chat and to be able to offer alternative ways to deliver emotional support in a changing world.

We are looking, too, at how we can make sure the unique expertise that we offer at our Chalfont Centre, including neurology, therapy, rehabilitation, nursing and support, is not just available to those within our geographical reach. As a specialist provider, we want to continue to evolve so that we can provide complex care to those who need it most, while developing a more community-based model of integrated care that reflects ordinary, everyday lives for other people with epilepsy. We want our services to be available beyond the Chalfont experience.

Of course, one of the most important ways that we are able to future-proof the charity is through fundraising and our team is ever more innovative and creative in looking at how people like to fundraise. While some still love the big events – we have had two London Marathons within six months of each other with 125 runners raising £274,000 – our virtual events are increasingly popular.

This year, over 1,000 epilepsy heroes signed up for our Challenge 100 – running, walking, swimming, cycling 100 miles in 100 days. They raised an incredible £80,000, money which will help to fund our Helpline and our research. And our three Facebook Challenges raised another £81,000.

I would like to end on a note that is both future-proofing and historic. This year, thanks to our incredible Zach's Law campaign, we saw the first-ever law written specifically to protect people with epilepsy. Zach's Law has been included in the Online Safety Bill and hopefully, by the time you are reading this, will have been passed in Parliament, making it a criminal offence to target people online with flashing images, in order to trigger a seizure. We won four awards for this campaign. The display cabinet at our head office is full. But the real achievement is knowing that the law will protect people with epilepsy from the barbaric crime of online trolling. That really is future-proofing. I am very proud that we did this together: our amazing staff and our wonderful supporters. Thank you to you all.

Clare Pelham
Chief Executive

The Trustees are pleased to present their report for the year ended 31 March 2023 which provides a commentary on these results and the operations of the Epilepsy Society during the year, which are set out in the audited financial statements following this report. The report also acts as the Society's strategic report and the Directors' Report for the year.

The Trustees' Report covers a range of areas and these are set out as follows:

a) Principal Activities	h) Fundraising Activities
b) Charitable Objectives, Values and Strategy	i) Engagement with Stakeholders
c) Achievements and Future Plans	j) Employment and Volunteers
d) Principal Risks	k) Insurance, Health and Safety and Energy Reporting
e) Operational Performance	l) Governance, the Board and Executive Officers
f) Key Performance Indicators	m) Statement of the Trustees' Responsibilities
g) Financial Review	n) External Auditors

a) Principal Activities

Activities

Under section 17 of the Charities Act 2011, the Trustees have a duty to have due regard to the public benefit guidance published by the Charity Commission. During the year, the Trustees have acted in accordance with this requirement and they are satisfied that all the activities of the Society are for the public benefit.

There are in excess of 600,000 people with epilepsy in the UK, and around 70 million people world-wide. The Society undertakes a variety of activities for the benefit of those people, the main areas being:

- **Medical research**

The Epilepsy Society is strongly committed to medical research, which will lead to new and improved treatments for people with epilepsy. The Society's world-leading research activities are carried out through a tri-partite arrangement between the Society, the School of Life and Medical Sciences at University College London ('UCL') and the National Hospital for Neurology and Neurosurgery at University College London Hospitals ('UCLH'). This co-operation allows for seamless research integrating basic, clinical and translational aspects in one cohesive group working for the ultimate benefit of all people with epilepsy.

The current priority areas in which we will continue to concentrate our efforts include firstly ascertaining risks, clarifying underlying causes and identifying clinically-relevant genetic markers for people with epilepsy; secondly improving therapeutic options with the ultimate goal of bringing personalised treatments to all people with epilepsy, based on their individual genetic make-up, integrated with other characteristics through holistic analysis.

- **Information, education and support services**

Through our helpline and website, the Society provides information and support to people with epilepsy. We provide both online and face-to-face training to health care professionals, pharmaceutical companies and individuals. This enables us to increase support for people with epilepsy in the community, increase awareness of the condition and promote seizure first aid. Our external affairs team also raises awareness of issues for people with epilepsy and advocates on behalf of them through policy and media work and via social media.

- **Medical services**

The Sir William Gowers Assessment and Treatment Unit, run by UCLH in collaboration with the Society, is recognised as the leading centre for medical services to people with epilepsy in the United Kingdom and has one of the largest clinical throughputs in Europe. It provides a range of specialist epilepsy services, including diagnostic services such as electroencephalogram recording and the UK's only epilepsy-dedicated MRI scanner facility. The Centre also has a Therapeutic Drug Monitoring unit, which is currently the primary provider of anti-seizure medication level assays to the NHS. Monitoring is via both blood and saliva samples.

- **Residential, domiciliary and nursing care services**

We have six residential care homes, one of which also provides nursing care, for people with complex epilepsy and associated conditions. We also provide domiciliary care to people living in supported living accommodation and in their homes within the community.

Structure

The Epilepsy Society is a charitable company limited by guarantee. It is governed by its Memorandum and Articles of Association and it is registered as a charity with the Charity Commission (charity number 206186).

The Society has two wholly-owned subsidiaries - Epilepsy Enterprises Limited and NSE Facilities Limited. Epilepsy Enterprises Limited is the Society's trading company and it carries on commercial activities, such as merchandising, with a view to raising money for the charity. NSE Facilities Limited was incorporated in 2000 to build the Gowers Centre and to manage the healthcare services provided by UCLH within it. However, the management of healthcare services is now being done directly by the Epilepsy Society, and therefore this subsidiary is effectively dormant and the only financial transactions relate to the depreciation of the property and some minor administration. The Boards of each subsidiary consist of two Trustees and the Society's CFO.

b) Charitable Objectives, Values and Strategy

The Society's strategy is set by the Board of Trustees and they also agree the vision and objectives following discussions with stakeholders including the staff who work for the Society.

Our Charitable Objective

The Society's charitable objective is to secure a full life for everyone affected by epilepsy and other neurological conditions. Under the Society's constitution, we will try to do this by:

- promoting acceptance of people with epilepsy and other neurological conditions, and challenging discrimination against them;
- preventing the development of epilepsy and other neurological conditions;
- seeking effective treatments for epilepsy and other neurological conditions; and
- providing services to people with epilepsy and other neurological conditions.

Our Values

We aim to fulfil this objective while meeting our values, which are being:

Caring; Accountable; Improving; Respectful; Open

while putting the person with epilepsy at the centre of everything that we do.

Our Strategy

Our strategy to meet our charitable objective and aims remains based on three areas shown in the diagram below:



Advocacy

In the context of our Strategy, Advocacy means understanding the individual and collective needs of people affected by epilepsy and ensuring that their voices are heard through effective campaigning and representation in the media, parliaments and through social media. The Society's Advocacy Strategy sets out the framework within which it seeks to ensure that those voices are heard. Advocacy is carried out by the Society's in-house team from its headquarters at the Chalfont Centre.

Research

At the Epilepsy Society, our research means investigating the causes of epilepsy so that ultimately the condition can be prevented, or successfully treated and managed as set out in our Research Strategy. We aim for our research to be person-centred and integrated so that a "person is at the centre of a research project" with an objective to improve that individual's outcomes and quality of life. We focus on cutting-edge translational research in a clinical setting, undertaken collaboratively with leading research and clinical centres across the UK and internationally. Our strategy is to build on the genomic work and other leading research carried out at Chalfont which is internationally recognised and renowned.

Leading best practice in care and support

Leading best practice in care and support means developing good practice through a person-centred approach to the provision of some or all of the clinical, physical, intellectual, and emotional wishes and needs of a person affected by epilepsy to improve their quality of life.

The Society currently provides care services to 93 people based at Chalfont and an additional service to around 20 people living in in Aylesbury or elsewhere in Buckinghamshire. The Society sets out to empower people to live as full a life as possible in a supportive environment. People are encouraged to live their lives as they choose. Greater independence will be encouraged through assistive technology, better environmental design, and a wide range of physical, cognitive and other therapies. Our ability to do this is, however, constrained by the limits on funding provided by public authorities.

Our strategy is to provide ancillary services that support the provision of care to people affected by epilepsy that might otherwise not be available and signposting them to services that do exist. This includes continuing to provide and, if possible, expand our national helpline to meet the demands of wider demographics through new communication channels such as webchat, and by opening at weekends. The strategy also includes the provision of vital medical services in partnership with UCLH, such as the crucial work of monitoring drug levels in people with epilepsy, and MRI scans supporting treatment and research regimes.

Public benefit

The Charities Act 2011 requires the Society to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity. The Trustees confirm through this report that they have complied with this requirement. Research carried out and funded by the Society meets the Charity Commission's test for Public Benefit. In addition, the application of the results of the research is not restricted by gender, ethnicity, religion, or ability to pay and in that respect the public at large benefit. Other services that the Society carries out in care, helping people through support and advice and providing medical services all comply with the public benefit test too.

c) Achievements and Future Plans

Post-pandemic, we have continued to make good progress in all strategically important areas:

Research

The Chalfont Centre is a central hub for clinical and translational epilepsy research and continues at the forefront of research excellency. The focus of our research is around people with epilepsy; we will also bring in knowledge from other conditions where this helps people with epilepsy. Our primary motivation is to improve the lives of people with epilepsy by developing novel diagnostics approaches and better treatments tailored to the individual. Ground-breaking research into brain structure and function, the outcomes for people with epilepsy in different settings, and the genetic determinants of many aspects of epilepsy have been carried out in close collaboration with UCL Queen Square Institute of Neurology.

We have also initiated a global project into a rare epilepsy condition and sequenced DNA samples from partners worldwide and in the UK, creating the most extensive study ever undertaken. Analyses are well underway and have already shown new aspects of the genetics of epilepsies that will inform the care of people with epilepsy and help us understand its biology more clearly.

Medical Services

Chalfont Centre is a standard-setting centre in all aspects of epilepsy care. The Centre plays a leading role in assessing people with epilepsy, including inpatient assessment, through the Sir William Gowers Assessment Centre, which we run in conjunction with UCL Hospitals NHS Foundation Trust. Admission and investigative encounters are now back to pre-COVID levels.

A Memorandum of Understanding between UCL, UCLH and the Society is being finalised, to cover all activities carried out under the tri-partite agreement.

Advocacy and Information

Our telephone helpline and online support service continues to be in increasing demand, particularly as people are forced to wait long periods in between hospital appointments. We have produced extra resources to support people over long waits and to help them adapt to online medical appointments. In response to a survey of our beneficiaries, we are currently looking to increase the opening hours of our Helpline to weekends and an extra evening, and to introduce web chat as another means of contacting the Helpline team.

Our services to help people with epilepsy across the UK are highly regarded, valued, and produce extremely high levels of satisfaction from users.

Our influence and success as a campaigning organisation has continued to make a real difference. In the last year we have been focusing on two major campaigns:

Through our Zach's Law campaign we have succeeded in persuading Government to include a new law to protect people from online trolling, in the Online Safety Bill. This is the first time a law has ever been introduced to specifically protect those with epilepsy. The Bill is currently continuing its passage through parliament and is expected to be passed during 2023. Our campaign has been widely supported by cross-party MPs and has been championed by the Daily Express as part of their own 'Unmask the trolls' campaign. We have also received widespread coverage across broadcast media, including the BBC and Sky. Our Zach's Law campaign has picked up four major awards.

Our Safe Mum Safe Baby campaign is calling for research to establish why some babies are born with preventable disabilities caused by their mother's epilepsy drugs during pregnancy. This follows a report by the Commission on Human Medicines and a review by medicines regulators, the MHRA. Following an article in The Times, we have been able to engage with the Government's Chief Scientific Advisor who is also Chief Executive of the National Institute for Health and Care Research. We are looking to collaborate with a multi-disciplinary group of scientists and healthcare professionals to take this work forward, and we are also engaging with pharmaceutical companies who are keen to support.

We presented our 1,647-strong petition supporting our Safe Mum, Safe Baby campaign to the new Patient Safety Commissioner, Dr. Henrietta Hughes.

On International Women's Day, we relaunched our popular "Me and my Shadow" scheme, encouraging young women with epilepsy to aim high in their career goals and not be limited by their condition. The scheme matches "shadows" with successful women in media, arts, politics, science and business. We plan to widen the scope of the scheme going forward.

Care

Despite the various challenges financially and operationally in the health and social care, our ambition for people who are supported at Epilepsy Society to live a good life continues to be high. As a charity with specialist provider status, we strive to harness the unique neurological expertise at Chalfont, therapeutic and rehabilitative teams, our nursing colleagues and support staff so that people may stay healthy and well. Increasingly our strategic direction for care is for Chalfont to be renowned for excellence supporting people with the most complex needs, but equally seeking opportunities to develop our models of community-based support.

We are delighted to maintain ratings of 'Good' in every domain of all services across the charity and consistently strive to further develop the quality of support for people. We are engaging with an external consultancy company to ensure that the compliance of the services remains current and in line with the regulatory changes. Our approach to getting the values right with colleagues and focusing on the detail which makes up every individual's daily support is key to our success. As we look back on our previous years work in care services there is much for our colleagues and supporters to be proud of with the development of increased transport options, individuals enjoying holidays, a renewed focus on person centred support and initiatives related to safeguarding. The key conditions are right for care to further develop innovation around digitalisation, creating new pathways for individuals to live in the community and fully realising our complex care offer.

Fundraising

Despite the challenging fundraising environment, the Epilepsy Society witnessed a resurgence in certain aspects of fundraising following the pandemic. Particularly, events fundraising, which was hit hard during the pandemic, experienced a significant revival. However, it continued to be a tough environment primarily due to the cost-of-living crisis and the war in Ukraine, which brought international affairs to the forefront of people's agenda. With this difficult backdrop, we are pleased that we were able to deliver overall growth across donations and fundraising, legacies and grants, from a total of £3,373k last year to £3,401k in 2022/23.

In the light of the restrictions faced by the team during and after the pandemic, the Epilepsy Society embarked on a recruitment campaign to effectively resource for future income growth. Considering the significant recruitment difficulties in the sector, which are further exacerbated by the Epilepsy Society's location, we are delighted to announce the successful recruitment of three fundraisers to the team and an officer and a manager.

Events engagement initiatives have been at the heart of our fundraising efforts this year. Throughout the year, we witnessed inspiring stories of individuals taking part in events and challenges for a cause close to their heart. From running four marathons (and an ultra-marathon) in one month to abseiling from the top of Liverpool FC's main stand the Epilepsy Society community showed immense creativity and passion in raising funds and awareness for the cause. The return of iconic events such as the London Marathon, which took place in October, witnessed a strong resurgence in participation and fundraising. It became our most successful London Marathon to date, with a record-breaking 60 participants and the highest income ever raised, £138,000.

A positive outcome of the pandemic was the continued success of our expanding portfolio of virtual events. The third year of our own Challenge 100 inspired nearly 1,000 supporters to raise over £80,000 for us. Additionally, the new Facebook Challenges held in July and October raised an impressive £35,000 and £25,000 respectively.

Our epilepsy 'Flag Day' - Purple Day - raised £40,000, but community fundraising has failed to return to pre-pandemic levels of income and success. Hybrid working, less disposable income and people feeling less confident about asking friends and family to give are challenging barriers for us to navigate. It is also increasingly competitive to be selected by local groups, schools and organisations for charitable support. We continue to demonstrate the life-changing impact of supporting the Epilepsy Society, this messaging will become even more important if we are to see significant growth in income in future years.

Our fundraising appeals during spring, summer, and Christmas were disappointing compared to previous years, despite an increase in online exposure. We are immensely grateful to our thousands of regular givers, as they play a vital role in providing a stable and predictable income stream.

We extend our deepest gratitude to the thousands of people who donate in memory of their loved ones, as their contributions raised over £150,000 in the past year. The Roberts family, who tragically lost their daughter Amelia at the age of 21 in 2018, have raised over £250,000 to date for the 'Amelia's Fund' which supports our genomics research and funds the Amelia Roberts Fellowship. This generous support has enabled us to hire more bioinformaticians in the research team.

We received several welcome significant gifts from high-net-worth individuals, totalling over £70,000. Corporate income is also an area we would now like to grow, particularly with the pharmaceutical sector. Moving forward, we aim to build stronger relationships through Boards and events, however, we acknowledge that bringing new individuals and organisations onboard in the current climate is not easy.

We are grateful for the support we have received from charitable trusts and foundations. Their belief in our mission has been instrumental in launching groundbreaking research projects, however the focus of Trusts & Foundations on 'front line services' versus raising funds for epilepsy research poses challenges. Although we fell short of our target this year, we have plans to work closely with our research team and UCL to unlock other funding sources in this area.

The legacy gifts received have allowed us to invest in long-term research projects, enhance our support services, and advocate for improved epilepsy care and awareness. We are deeply thankful to those who have made the decision to leave a lasting legacy and help us build a brighter future for individuals and families affected by epilepsy. Legacy income of £788,000 was lower than the previous year, despite predicted growth. It is important to note legacy income is inherently unpredictable, but we still expect growth in the coming years, primarily due to the passing of the Baby Boomer generation and the anticipated easing of delays in probate.

Our strong digital marketing team plays a crucial role in ensuring an enhanced supporter experience by reducing digital friction, improving digital usability, and enhancing user journeys. Their expertise is invaluable in the digital age, and we owe a great deal of our fundraising success to their skills. We have achieved a good website authority score, witnessed substantial website traffic, and also hold the largest Google Paid search presence in the world for terms related to epilepsy. We have effectively utilised Facebook Charity Tools, Mailchimp for our e-communications, and enhanced the online donation experience using FundraiseUp.

Finally, we express our deepest gratitude to all the donors, supporters, and volunteers who have chosen to support the Epilepsy Society during these challenging times. Your support is making a significant difference to the lives of the more than 600,000 individuals living with epilepsy in the UK. The hard work of our dedicated fundraising team should be acknowledged, who, with the support of all staff, tirelessly strive to raise as much money as possible for those affected by epilepsy. No professional fundraisers or commercial participators were engaged in this financial year.

In conclusion, the past year has been a testament to the resilience, passion, and generosity of our supporters. Together, we have made a tangible difference to the lives of those affected by epilepsy. We are deeply grateful to each and every individual, community, corporate partner, and funding organisation that has contributed to our cause.

Land & Estates

The Society's challenging financial position means that there are constant challenges and difficult decisions to be made with maintaining an aging estate. The operational estate consists of over 50 buildings and extends to 40 acres. A number of the buildings on the operational estate have been closed in recent years as they are simply not cost effective to maintain. The Society also owns an additional 260 acres of land which is primarily used for agricultural purposes.

Like every other organisation, the Society has seen the impact of rising inflation reflected in the cost of maintaining the estate, which totalled over £1.6m in 2022/23. Tenders from suppliers have all increased significantly and it is a continuing challenge to attract experienced contractors at competitive prices. In an attempt to address some of these pressures the Society has retendered a number of important maintenance contracts which has resulted in new contractors appointed to work with the Society.

The Society has also embarked upon a rolling programme of condition surveys of properties across the operational estate. The surveys will help to inform our planned maintenance investment programme over the next few years.

The Society has been protected from the volatility in the utilities market over the last couple of years through fixed price contracts. Unfortunately, our electricity contract comes to an end shortly and we are budgeting for a significant increase in costs.

To help address the Society's difficult financial position, the Society has submitted a planning application for a residential led mixed use development on some of its non-operational land. If the application is approved, all the receipts from the land sale will be reinvested into the core business of the Society. The application is the culmination of significant work across the Society on the future strategy and viability of the charity and an ambition to drive value from its land asset base. The receipt that will be generated from a planning approval will help fund an expansion of the Society's research capacity including new facilities and an increase in the number of expert researchers into epilepsy working from our base in Chalfont.

The Society has been located in Chalfont for over 130 years and is very much part of the local community. The Society ran a public consultation last October on the land development proposals which was well attended by local residents. The plans have been amended in a number of key areas to reflect feedback received through the consultation process.

A successful planning application will transform the research capacity of the Society, ensure the long term financial future of the charity and improve the lives of people with epilepsy across the UK.

Future Plans

At the Epilepsy Society, our plans are ambitious as we try to fulfil our vision to enable people with epilepsy to lead the lives they want to live. Research is key to bringing hope of seizure freedom to all those with the condition and this is where we must focus our energies. We aim to expand our research, particularly in the genomics field, to provide significant benefits for many of the more than 600,000 people with epilepsy in the UK. We will also be increasing our campaigning and influencing activities to address issues which affect people with epilepsy. We continue to work in financially challenging times, but within this context we hope to:

- strengthen our external affairs team to engage with Government and ensure that we push epilepsy up the political agenda and are a strong voice for the epilepsy community. We are awaiting the passing of the Online Safety Bill in parliament, which includes a new law to protect people with epilepsy from online trolls, and secure funding for vital research into the risks associated with all epilepsy medications during pregnancy;
- press on with sequencing many of the 6,000 DNA samples we have not yet sequenced and provide more personalised treatment for people where our analysis produces translational results: we want genomic testing to become a routine part of diagnosis for everyone with epilepsy across the NHS, extending its current indications and putting genomic testing on a par with other routine and informative tests such as MRI and EEG;
- continue to improve the way in which we provide person-centred care for the 93 people with epilepsy who live on our estate and the wider surrounding area. We are always looking at ways to improve our quality of support and address the widespread recruitment challenges in care services. We are working with an external agency to recruit a cohort of social care workers from across Africa. We already have a very diverse workforce, but the new recruits will further enrich our environment;

- be confident in the quality of service that is delivered through our internal measurements, so that people are leading the best lives they can with the support from Epilepsy Society;
- maintain our overall rating of 'Good' in all domains with our regulator CQC, as well as good quality ratings with the local authority 'Provider Assessment and Market Management Solution (PAMMS)' inspections;
- continue to work in partnership with UCLH in its provision of the medical and related therapeutical services provided at Chalfont, ensuring that services are optimally provided for users, whilst being financially viable for the Society;
- invest in fundraising and grow income in all areas particularly in community and events, major donors and trusts, always recognising wider challenges of external factors such as the cost-of-living crisis and the pressures these can present for our beneficiaries; we continue to grow our own bespoke fundraising challenges as well as promoting established events such as the London Marathon; and
- at all times, we seek to raise awareness of epilepsy among the public in order to increase understanding of the condition and how to support someone with seizure first aid. We are working with first aid charities across the UK to promote our own seizure first aid messaging "Calm, Cushion, Call".

We are hugely grateful to the thousands of people who continue to support Epilepsy Society. It makes a huge difference to the support we are able to give all those affected by epilepsy.

Long term plans

The Trustees have continued to consider the longer term future and plans of the Society. The Epilepsy Society's estate is large and runs to 300 acres. The vast majority of the site is farmland which only produces a modest return financially. The main site consists of over 50 buildings of varying ages, many of which are dilapidated. This means that the site is very expensive to maintain and is a drain on our resources.

On-site care facilities are essential for residents with complex epilepsy and associated conditions. However, many of these facilities are also old and costly to maintain and not ideal for the best possible care and support of the people who live there.

The maintenance of such a large estate is a significant burden for the Society. As can be seen from these accounts, the Society's reserves are modest and it is a constant struggle to break even. We must therefore look at more innovative ways of making the charity robust and sustainable for the long-term future.

We are fortunate to have been bequeathed a 300-acre site by our founding fathers and it is our responsibility as a charity to make best use of that asset. We have submitted an ambitious planning application to Buckingham Council to develop part of the site which could raise over £100 million in receipts to invest in epilepsy research, leading to better diagnosis and treatments.

Development would include a new research and medical centre to reflect the standing of Chalfont worldwide in this area, and would allow us to invest at a significantly higher level in the research that could revolutionise the lives of people with epilepsy in the future. We are currently awaiting a decision by Buckinghamshire Council.

d) Principal Risks

The principal risks and uncertainties to which the Society and Group are exposed are very similar and managed through the same processes. The major strategic risks, that is those that have the potential to adversely impact the Group in achieving its future strategic objectives, are listed below. They are identified, classified, managed and reported on. The most effective controls to manage the risks are identified and plans to mitigate the risks to ensure the furtherance of the Society's objectives are established and implemented.

Quality of care provided across some or all client stakeholders falls significantly below required standards - our uppermost priority as a charity is ensuring that the people we support, as well as our staff and visitors, and contractors are kept safe. We appreciate that the risk of harm and injury cannot be eliminated in its entirety. We manage the risk that exists by ensuring a robust and rigorous adherence to regulatory standards, the law and legal procedures to safeguard people, as well as by modelling best practice. We also conduct lessons learned reviews to improve our practice. Processes and procedures supported by an internal control system have been strengthened, and the Society has embraced digital and technological advancements in service delivery which is carefully monitored. Risk management is embedded as part of our everyday processes. Quality assurance measures and audits are undertaken ensuring that actions are fed into service improvement. There is additional executive oversight by the Health and Safety Committee and trustee oversight by the Board and its sub committees.

Insufficient funding to continue current and future operations - financial management is a key element of the Trustees' responsibilities, as is ensuring the long-term financial viability of the charity. Like many others, the charity was not immune from the financial impact of the recent pandemic. To ensure the Society's longer term financial sustainability and cushion the charity from the impact that current and future financial challenges may have on its operations, the Society has sought to embrace technological advancements and source additional funding for research. The charity is also being more innovative and maximizing alternative business development opportunities while conducting longer term financial modelling with scenario planning for Business As Usual and the success of the land development application. Trustees are closely monitoring the risks that exist and may materialise, particularly those associated with the land development application. This is carried out through quarterly oversight of financial performance by the Finance Committee and Trustee Board, and regular meetings of the Estates Working Group.

Failure to attract, retain and develop sufficient and suitably qualified talent - this applies to staff in all areas, but particularly in care, where there is a shortage of suitable people across the sector, and in research, where we need highly trained professionals to progress work in areas such as genomics and who are much in demand across the various research sectors. To mitigate the risk of potentially unsafe staffing levels, particularly in our care services, we use a mixture of bank and regular agency workers in those services with high volume on vacancies. Protocols are in place to manage potentially unsafe staffing levels, and escalation procedures are in place to ensure managers and on call managers have clear guidance to follow. Forward rotas are reviewed each day to ensure that we are operating within safe staffing levels, with an appropriate balance between permanent/bank staff and agency workers.

We have also recruited recruitment specialists who have developed and introduced innovative and creative strategies to recruit and retain staff, which is already having a noticeable positive impact on the level of vacancies that we carry. The Society is also seeking to utilise the overseas visa scheme that the government recently introduced for Care Services providers.

A serious breach of information governance and cyber security - safeguarding and upholding the Society's data and the integrity of its data is of paramount importance, not least due to the amount of highly sensitive data the Society handles in its delivery of medical services and social care services. Staff undertake GDPR training and are regularly provided with tips, guidance and support to reduce data loss and exposure and to ensure they handle data in a way which is both sensitive, efficient and protective. The Society's DPO works with all staff, through a cohort of Data Champions, to conduct risk assessments, provide guidance and advice, and develop and implement action plans to offset risk and improve the handling of data.

Cyber risk poses a real and ever-increasing threat against the charity's operations. This is particularly the case following the increased levels of remote management and delivery of many of the charity's core non-care operations, as well as the increasing use and application of technology throughout the charity. To guard the charity against a cyber-attack, and to mitigate the risk of cyber and digital security failure, the charity has strengthened its digital security, strengthened its policies and procedures, increased its suite of insurance policies to cover cyber risk and has become Cyber Essentials Plus certified.

Failure to deliver the Society's strategic objectives across the three pillars of care, advocacy and research – trustees are responsible for the strategic direction of the charity, whilst its implementation has been delegated and devolved to executive directors. The Society regularly consults and collaborates with those affected by epilepsy as well as with other charities and research bodies. We have also strengthened our engagement with key political and other stakeholders. Our processes for measuring and reporting our impact have been refined and we have developed our strategic plan and governance structures. To ensure that the Society's vision becomes reality, and to offset the risk of implementation failure, the charity develops actions and implementation plans that are subject to evaluation and ongoing monitoring by trustees through Working Groups, and at both Committee and Board level.

The land development application is not successful and negatively affects longevity and ability to have a real impact for people affected by epilepsy, or alternatively the application is successful and we fail to take full advantage of the opportunity - to ensure that the charity is in a stable position to continue to deliver its services and further its objectives, it is seeking to utilise its land assets to support the delivery of the charity's purposes. In the event that the application is unsuccessful the charity has sought to develop a plan to enable it to manage BAU finances as well as possible for as long as possible. A robust and comprehensive project plan has been implemented and is being closely monitored and managed from a risk management perspective to provide the best possible chance of success to the application. The Society continues to receive expert advice from highly experienced lawyers and consultancy firms. Particular care is being taken to ensure that the charity partner's with the right organisation to see the application and development through. Planning is also underway to be ready to implement the right structures and governance should the application be successful.

Failure to comply with existing laws and regulations - the Society operates strict adherence to all the legal and regulatory compliance requirements and various laws covering health and safety; health and social care; employment law; equality law, data protection and so forth. To mitigate the risk of a compliance breach staff are required to undertake mandatory training across a number of key areas; we also conduct regular reviews of our systems for capturing and reporting incidents including near misses ensuring that we also capture and implement any learnings, reviewing horizon scanning and encouraging an open culture for whistleblowing and the raising of concerns. Periodic reviews are carried out to ensure up to date compliance and identify new and emerging gaps. Monitoring is undertaken by trustees through the Board and its sub-committees.

Ineffective management of key strategic relationships - the charity has strategic relationships with a number of key stakeholders, most notably with UCL and UCLH. It is essential that the relationships that we have are managed effectively to ensure that the charity's strategic objectives are not compromised and we do not miss out on new or enhanced initiatives. To mitigate the risk posed, the charity has set out the governance arrangements and agreed a tri-lateral Memorandum Of Understanding with UCL and UCLH.

e) Operational Performance

Our Year in Numbers

- Over £2 million invested into our research programme
- 4,397 contacts made to the Helpline via calls and emails
- Over 16,000 Therapeutic Drug Monitoring assays and 933 MRI scans completed
- 3,767 information resources sent out from the Help Line
- 55 awareness raising training courses, delivered to over 600 delegates
- Over 1.4 million visitors to our website
- 3.7m reach on Facebook and Instagram; 2m impressions on Twitter
- Another 1,000 whole DNA genome sequences analysed
- 85 academic papers published by our researchers
- 7 out of 7 of care services rated 'good' by CQC

f) Key Performance Indicators

Strategic and operational KPIs were reviewed and set for the 2022/23 year. The strategic KPIs included developing implementation plans for our care strategies; growing our media reach in support of policy change and the Society's developmental ambitions; continuing to impact people directly as a result of our research; and progressing the land development application and driving financial performance in pursuit of our long-term financial stability. Operational KPIs were set against quality measures in our Care Services; Income to direct cost ratios in our fund-raising activities; growing our Helpline reach; making improvements in key HR metrics such as vacancy, sickness absence and voluntary labour turnover rates; and making progress in our key advocacy work.

2022/23 has seen continued significant progress against all these strategic and operational measures. We did submit our Very Special Circumstances ("VSC") land development application in August 2022 as planned, and the financial results were ahead of budget and show a strong performance against the specific targets therein. Our operational bottom line improved again when allowing for one-off costs, and our ratio of Donations, Fundraising and Legacy income to direct costs held steady at 3.4. In our HR metrics, we were able to beat our target for staff vacancy rates (11.5% versus a target of 12.6%), but we narrowly missed our targets for sickness absence and voluntary turnover. Our advocacy campaigns "Zach's Law", was hugely successful, and in December 2022 the Government confirmed that Zach's Law would be enacted in full as part of the Online Safety Bill.

g) Financial Review

2022/23 saw an increase in the operational deficit (that is before the results of pension deficit revaluation), from £213k in 2021/22 to £1,512k in 2022/23. However, that deficit does include a £1M one-off contribution to the pension scheme, and increased costs in the year related to the land development, so represents a stabilisation of the bottom line before the large one-off costs.

Income levels for our care services grew strongly, from £11.1m to £12.3m, as we worked hard with commissioners to fund the increase in costs driven mostly by salaries and the National Living Wage. Income from medical services and help, information and advocacy held steady year on year, and voluntary income grew slightly to £3.4m in 2022/23.

During the year we spent a further £2,800k (2022: £807k) from the designated reserve set up in 2019 from the sale of land to Audley developments, see note 17 for more details.

2022/23 saw continued improvement in our pension deficit, which resulted in a gain of £1.7m (2022: £2.9m), partly because of the £1m contribution the Society made during the year. As a result, the pension scheme deficit now sits at £3.7m (2022: £6.5m); see note 20 for details.

Income

Total income for the Society was up 8.0% (2021: 4.5%), from £16.7m to £17.9m, driven on the whole by the increase in our fees for delivering commissioned health and social care services. Donations and fundraised income grew significantly from £1.6m to £1.9m, but legacies fell from £1.1m to £0.8m. Grant income grew from £680k to £730k. Donations include £316k of goods in kind income related to internet advertising, with the same value showing as expenditure in our costs of raising funds.

During the year we invested £5.9m with Cazenove, and this coupled with rises in interest rates has started to deliver gains on our cash and investment balances.

Expenditure

We continue to manage our cost base carefully, and although our overall expenditure increased from £17.1m to £19.5m, this includes the one-off deficit contribution to the Defined Benefit pension scheme of £1m, and increased spend across our estate and to support the land development application. This expenditure also reflects an increase in direct costs of care delivery from £8.2m to £9.2m, driven by the National Living Wage increase effective 1 April 2022, and increased need for the use of agency staff, experienced by many providers in health and social care.

The year-on-year increase in the use of agency staff meant that our overall wage bill remained level at £9.1m, with the National Living Wage cost increase being broadly balanced out by the fact that our headcount reduced from 373 to 325 (see note 9).

Funds and reserves

In line with Charity Commission guidance, the Trustees aim to have an appropriate level of reserves to allow the Society to continue to operate through temporary reductions in income levels or increases in costs. To help meet that aim the Society has a reserves policy, approved by the Board, which sets minimum levels of reserves.

The policy states that the Society shall maintain a level of 'free reserves' that covers all the annual expenditure of the Society (based on current projected costs for the year excluding depreciation) for at least four months and expenditure of the Society excluding care and medical service costs (where there is an established flow of income) for at least nine months. Free reserves are defined within the policy and are consistent with the reporting requirements of the SORP.

Total reserves for the Group increased from £27.9m last year to £28.1m at 31 March 2023, with the use of our designated funds being outweighed by the reduction in the pension fund deficit and therefore the pension reserve. The reserves comprise restricted reserves of £2.8m (2022: £3.0m), a negative pension reserve of £3.7m (2022: £6.6m), a revaluation reserve of £2.2m (2022: £2.2m) and unrestricted funds of £26.9m (2022: £29.2m), of which £4.6m (2022: £7.5m) is the balance of the designated reserve.

Free reserves, which exclude funds held as fixed assets, total £14.5m at 31 March 2023 (2022: £15.5m), and this represents 9 months (2022: 9 months) of total budgeted expenditure for 2023/24 and 18 months (2022: 18 months) of total expenditure excluding care and medical services costs. Although these levels of cover are significantly higher than those set by the reserves policy, the Trustees remain comfortable with the position because the free reserves balance includes £4.7m of designated reserves, held separately for specific uses.

The Society's budget for 2023/24 was approved in March 2023, and shows a small operational surplus before one-off costs related to backlog estates maintenance and expenditure related to our future land strategy. With cash and liquid investment balances remaining strong, the Trustees believe that the Society has sufficient working capital to fund operations for the foreseeable future, and sufficient time to take any appropriate action should circumstances change negatively.

In 2019/20, the Trustees established a designated reserve to support and keep track of the use of the funds for four specific purposes and a balance of £10.4m was transferred into designated funds as at 1 April 2019. Since 2019/20 expenditure of £5.7m has been attributed to the designated reserve and so the balance at 31 March 2023 is £4.7m.

Details of fund movements for the year are set out in note 17 and restricted reserves are detailed in note 19 to the accounts.

Balance Sheet

Group cash at bank and in hand reduced from £16.3m as at 31 March 2022 to £9.1m at 31 March 2023. However, this reduction is mostly reflected by the investments made with Cazenove during the year (total £5.9m), intended to improve our return on the cash we hold that is surplus to working capital needs. This is in line with our treasury management policy, which we reviewed during the year to make sure it was fit for purpose. Elsewhere on the Balance Sheet, the other significant change from 31 March 2022 is the movement in the defined benefit pension scheme, where the liability has reduced from £6.6m to £3.7m. This further reduction from the 31 March 2021 balance is again driven by assumptions around discount rates, RPI and CPI, which have further reduced the calculated future liabilities for the scheme, which fell in total by £9.7m. This decrease in liabilities is £2.8m higher than the reduction in the value of the scheme assets, which fell by £6.9m.

Going concern review

The Trustees continue to review the financial sustainability of the Society in detail, both at the Board and through the Finance, Performance and Resources Committee. In particular, we have considered expected cashflows for several years after the date of signing of these accounts and the potential impact of a number of scenarios across care funding, pay and general cost inflation and fund-raising income growth. The Trustees consider there are no material uncertainties regarding the charity's ability to continue as a going concern, and therefore are satisfied that in all cases the Society remains able to meet its obligations to at least 31 March 2025, and that these accounts should be prepared on a going concern basis.

h) Fundraising Activities

Like most charities, the Society raises funds from voluntary sources such as donations, fundraising events, legacies and grants. We rely on the commitment, hard work and generosity of supporters, donors and fundraisers to provide the money to enable us to provide the services for people with epilepsy throughout the UK.

The Society has its own fundraising team who generally support fundraisers in the community, obtain donations from individuals and make applications to companies, trusts and foundations. The Society only puts on small scale events of its own and generally does not employ professional fundraisers or commercial participators.

The Society follows the Fundraising Regulator's Code of Fundraising Practice, aspires to apply the highest standards in its fundraising activities and is a member of the Chartered Institute of Fundraising. Our code of conduct for the Society or its supporters fundraising takes all reasonable steps to protect vulnerable people and members of the public from intrusion into their privacy, persistent requests and undue pressure.

We received only 4 formal complaints about our fundraising activities during the year. All have been dealt with sensitively and as appropriate according to our complaints policy and procedures.

i) Engagement with Stakeholders

The Trustees, who are Directors for the purposes of the Companies Act, confirm that in accordance with Section 172 (1) of the Companies Act they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Trustees consider the relevant actions of the Board, and engagement with all stakeholders is described throughout the annual review. Taking the areas required for disclosure in turn:

The likely consequences of any decision in the long term

Epilepsy Society's long-term sustainability is considered by the Trustees as set out in the Funds position and reserves policy and Going concern sections on pages 17 and 18. Risk management is also discussed further in the report, on pages 14 and 15.

The interests of the company's employees

This is detailed below under the Employment and Volunteers section.

The need to foster the company's business relationships with suppliers, customers and others

Epilepsy Society always seeks to maintain a positive relationship with its suppliers, ensuring all non-disputed invoices are paid within 30 days - in line with Epilepsy Society's agreed payment terms. Our business partnerships are further outlined in the Fundraising activities section on pages 18 and 19. Lived experience sits at the heart of all we do, in particular working with our most important stakeholders, people with epilepsy. All of our engagement with key stakeholder groups involves consideration of this, including Board and Committee discussions.

The impact of the company's operations on the community and environment

Epilepsy Society's environmental reporting is detailed on page 20.

The desirability of the company maintaining a reputation for high standards of business conduct

Epilepsy Society has a risk register and assurance framework to manage regulatory and legal risk and is committed to complying with all applicable laws and regulations relating to fraud, bribery and corruption.

j) Employment and Volunteers

The Society employs more than 300 staff and encourages volunteers to help us in a range of ways. We value and embrace difference; we work hard to ensure our work is inclusive and champion diversity. We recently undertook a Society-wide Equality, Diversity and Inclusion review, and are currently implementing the agreed actions with the support of our staff and the direction of our leadership team.

The Society aims to be a place where staff and volunteers enjoy working, are involved in establishing the Society's approach and help to provide high quality services to people with epilepsy. We want staff to feel supported and have a range of support mechanisms in place to provide them with help when they need it, such as Mental Health First-Aiders and Well-being Weeks. We are also pleased to say that we have introduced international recruitment and welcomed our first recruits in July this year.

Learning and development is a key part of making sure our staff are fulfilled in their roles, and have the skills required to carry out their roles to a high standard. During 2022/23 we introduced a new e-Learning platform to support our face-to-face offer, and ensure we all continue to learn and develop.

k) Insurance, Health and Safety and Energy Reporting

Health and safety is very important to the Society in all we do. We are committed to the care of our residents, staff and volunteers and providing a healthy, safe environment for every person who uses or provides our services. All new starters receive our H&S Policy and an H&S induction, and all staff are required to complete regular training in all aspects of H&S relevant to their role. We produce a monthly H&S report which is reviewed by the H&S Committee and the Management Board, both of which meet quarterly. The report is also reviewed regularly by the Audit, Governance and Risk Committee and the Board of Trustees.

The Society maintains a comprehensive suite of insurance policies to protect it against the various insurable risks it faces. The Society's total coverage is reviewed on an annual basis to ensure that it has a sufficient range and level of cover and policies in place and each individual policy is also reviewed before renewal each year. Cover is then adjusted, sometimes by taking out new and additional cover, to take account of new and emerging risks and Value for Money considerations. The policies include cover for members of the Board and officers against liabilities in relation to the Society and its activities.

Under the Energy and Carbon Report Regulations, we are required to include Streamlined Energy and Carbon Reporting. This information is set out below.

UK greenhouse gas emissions and energy use data	Year ended 31 March 2023	Year ended 31 March 2022
Energy consumption used to calculate emissions (kWh)	4,704,940	4,746,921
Energy consumption break down:		
<ul style="list-style-type: none"> • gas (kWh) • electricity (kWh) • transport fuel (litres) 	3,213,237 1,486,924 4,779	3,164,181 1,579,681 3,059
UK greenhouse gas emissions and energy use data	Year ended 31 March 2023	Year ended 31 March 2022
Emissions in metric tonnes CO ₂ e:		
Gas and electricity	1,146.1	1,171.4
Owned transport	11.5	7.3
Total	1,157.6	1,178.7
Intensity ratios in metric tonnes CO ₂ e:		
Per FTE staff member - 242 in 2023 (264 in 2022)	1.8	1.8
Per resident - 100 in 2023 (96 in 2022)	7.2	7.3
	(Based on average usage per resident being 4 x that of staff member)	(Based on average usage per resident being 4 x that of staff member)

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting. The chosen intensity measurement ratios are based on numbers of staff and number of residents, which the Trustees believe are the most appropriate measurements.

We continually aim to reduce our energy usage by undertaking efficiency measures, such as replacing lighting with LEDs when the opportunity arises, and replacing older boilers with more efficient ones when they fail. We also regularly remind tenants to reduce their utilities usage where possible.

As part of our wider land strategy, we want to demolish some of our older low efficiency buildings and replace them with new highly efficient premises, to minimize our carbon footprint and related operating costs. The planned residential development will be built to high environmental standards and will include electric charging points to every new home.

l) Governance, the Board and Executive Officers

The Society is governed by its Articles of Association which set out the composition of the Board. The Articles were recently updated and modernised to allow for hybrid meetings, to clarify that trustees are automatically Members and to provide clarification of the process for all trustee appointments which is now more robust. The Society currently has around 100 voting members.

The Board has to be made up of between 6 and 16 Trustees of whom no more than 4 Trustees may be co-opted. Currently, there are 11 Trustees who are listed on page 55 and meet quarterly. They delegate some authority to their four Committees: Audit, Governance & Risk; Finance, Performance & Resources; Research, Medical and Care Services and Appointments & Remuneration. These delegation areas, and appropriate levels of authorisation, are captured in a Schedule of Delegation which is reviewed by all Committees and approved by the Board. Each Committee is chaired by a Trustee and the membership is composed of a number of other Trustees.

The Board is responsible for setting the strategic direction of the Society and ensuring that it is properly controlled, the risks are managed, it is financially sustainable and that it delivers charitable outcomes for people with epilepsy in the UK.

The Trustees have a broad range of skills and expertise and are recruited through open advertisement. Trustees are allowed to serve on the Board for a maximum of nine years. Trustees can serve on the Board beyond the maximum nine years only in exceptional circumstances. Such reappointments will be made in accordance with the guidance contained within the Charity Governance Code at Chapter 5.7.4. Consideration of the Charity Governance Code by the Audit, Governance and Risk Committee will continue into 2023/24.

The Board delegates the day-to-day operations to the Chief Executive Officer, who is supported by a Chief Financial Officer and six Executive Directors who are also listed on page 56. The pay of the CFO and of the Executive Directors is reviewed annually by the Board of Trustees, with the salaries being benchmarked against pay levels in other not-for-profit organisations of a similar size.

m) Statement of Trustees' Responsibilities

The Trustees, who are also directors of the Epilepsy Society for the purpose of company law, are responsible for preparing the Trustees' annual report, which includes the strategic report, and the Financial Statements for the Group and the Society in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year.

They must not approve the Financial Statements unless they are satisfied that these give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the Financial Statements on a going concern basis, unless it is inappropriate to presume that the charitable company will continue to operate.

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

They are also responsible for safeguarding the assets of the Society and the Group and therefore for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Trustees have each taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

n) External Auditors

Crowe U.K. LLP were appointed as the Society's auditors by a General Meeting of members of the Society. Crowe has expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

This Trustee's annual report was approved by the Board of Trustees on 14 September 2023 and is signed on their behalf by:



Kate Alcock
Chair

Opinion

We have audited the financial statements of the Epilepsy Society for the year ended 31 March 2023 which comprise the Group and Parent Statements of Financial Activities, Group and Parent Balance Sheets, and Consolidated Cash Flow Statement and the related notes 1 to 23 to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2023 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 21 and 22 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Care Quality Commission (CQC) regulations, employment legislations, taxation legislations and anti-fraud, bribery and corruption legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit, Governance and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, recording the impact of the CQC regulatory reviews and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 24 October 2023

Consolidated Statement of Financial Activities (including Income and Expenditure Accounts) for the year ended 31 March 2023

	Note	31 March 2023		31 March 2022	
		Unrestricted	Restricted	Total funds	Total funds
		funds	funds		
		£'000	£'000	£'000	£'000
Income from					
Donations and legacies	3	3,177	224	3,401	3,373
Charitable activities	4	13,840	124	13,964	12,758
Other trading activities	5	298	16	314	293
Investments	6	174	-	174	178
Other		46	-	46	73
		17,535	364	17,899	16,675
Expenditure on:					
Raising funds	3	(1,008)	-	(1,008)	(1,039)
Charitable activities:					
Care	4	(13,317)	(92)	(13,409)	(11,351)
Research	4	(1,573)	(487)	(2,060)	(1,774)
Medical services	4	(1,728)	-	(1,728)	(1,684)
Help, information and advocacy services	4	(553)	(61)	(614)	(540)
Other	4	-	-	-	(33)
		(17,171)	(640)	(17,811)	(15,382)
Trading activities	5	(320)	-	(320)	(13)
Other costs	8	(333)	-	(333)	(454)
Total expenditure		(18,832)	(640)	(19,472)	(16,888)
Net gains/(losses) on fixed assets	13	(13)	-	(13)	-
Net gains/(losses) on investments	14	74	-	74	-
Net income/(expenditure) for the year		(1,236)	(276)	(1,512)	(213)
Transfers between funds	17	-	-	-	-
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension scheme	20	1,719	-	1,719	2,929
Net movement in funds	17	483	(276)	207	2,716
Reconciliation of funds:					
Total funds brought forward	17	24,914	3,028	27,942	25,226
Total funds carried forward	17	25,397	2,752	28,149	27,942

	Note	31 March 2023		31 March 2022	
		Group £'000	Society £'000	Group £'000	Society £'000
Fixed assets					
Intangible assets	12	80	80	92	92
Tangible assets	13	14,661	13,541	14,969	13,814
Investments	14	9,478	11,924	4,440	6,886
		24,219	25,545	19,501	20,792
Current assets					
Investments		869	869	-	-
Stock		23	3	16	-
Debtors	15	1,621	1,624	1,836	1,847
Cash at bank and in hand		9,124	8,814	16,253	15,936
		11,637	11,310	18,105	17,783
Liabilities					
Creditors: Amounts falling due within one year	16	(3,977)	(3,970)	(3,114)	(3,108)
Net Current assets		7,660	7,340	14,991	14,675
Total assets less current liabilities		31,879	32,885	34,492	35,467
Net assets excluding pension liability		31,879	32,885	34,492	35,467
Defined benefit pension scheme liability	20	(3,730)	(3,730)	(6,550)	(6,550)
Total net assets		28,149	29,155	27,942	28,917
The funds of the charity					
Restricted income funds	19	2,752	2,752	3,028	3,028
Unrestricted funds	17	22,231	23,237	21,768	22,743
Designated fund	17	4,656	4,656	7,456	7,456
Pension reserve	17	(3,730)	(3,730)	(6,550)	(6,550)
Revaluation reserve		2,240	2,240	2,240	2,240
Total unrestricted funds		25,397	26,403	24,914	25,889
Total funds		28,149	29,155	27,942	28,917

The financial statements on pages 27 to 55 were approved by the Trustees on 14 September 2023 and signed on their behalf by:



Kate Alcock
Chair



Andrew Gray
Treasurer

The notes on pages 30 to 55 form part of these accounts

	31 March 2023	31 March 2022
	£'000	£'000
Cash flows from operating activities:		
Net cash provided by operating activities	(1,094)	(144)
Cash flows from investing activities:		
Dividends, interest and rents from investments	174	178
Purchase of property, plant and equipment	(340)	(111)
Investment in Cazenove Multi-Asset Fund	(5,000)	-
Investment in Cazenove Short term Deposit	(869)	-
	(6,035)	67
Change in cash and cash equivalents in the year	(7,129)	(77)
Cash and cash equivalents at beginning of the year	16,253	16,330
Cash and cash equivalents at end of the year	9,124	16,253

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

Group	31 March 2023	31 March 2022
	£'000	£'000
Net income for the year	(1,512)	(213)
Adjustments for:		
Depreciation and amortisation	647	650
(Gains)/losses on investments	(74)	-
Investment management fees	35	-
Dividends, interest and rents from investments	(174)	(178)
Pension deficit service and interest costs	193	211
Pension deficit contributions	(1,294)	(287)
(Profit)/loss on sale of fixed assets	13	-
Investment revaluation	-	-
Decrease/(increase) in stocks	(7)	(1)
(Increase)/decrease in debtors	215	(418)
Increase/(decrease) in creditors	864	92
Net cash provided by operating activities	(1,094)	(144)

The Society has taken advantage of the exemption that allows it to prepare a Group cashflow and not a separate cash flow for the Society.

1. Legal status

The Society is a company limited by guarantee (registered number 492761). The Directors of the Company are the Trustees set out on page 56. In the event of the Society being wound up, the liability in respect of the guarantee is limited to £1 for each member of the Society.

The Society is registered as a charity with the Charity Commission (charity number 206186).

2. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (FRS102), the Companies Act 2006 and applicable accounting standards. The charity is a Public Benefit Entity as defined by FRS102.

The Trustees consider that there are no material uncertainties regarding the charity's ability to continue as a going concern. In arriving at this view, the Trustees have considered the risks presented by the legacy impacts of COVID, current inflation levels and forecasts, and the timing of future cash flows. They have modelled a range of scenarios and consider that, having taken account of these scenarios (including actions that would be taken in response to any crystallization of risk), the likely timings of cash flows over the 12 months from date of signing do not create uncertainties around the assessment of the charity as a going concern.

b) Significant judgements and estimates

In preparing these financial statements, management has made judgements in the application of the Society's accounting policies which materially affect the amounts recognised in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgement and estimation are as follows:

- **Legacy income**

Judgement is applied in the consideration of the likelihood of receipt and reliability of measurement of amounts receivable in respect of legacies to which the charity has established entitlement at the balance sheet date. Subsequent events are monitored to identify those which give additional information about conditions as at the balance sheet date which would warrant adjustment to the financial statements.

- **Pension scheme accounting**

Judgement is applied in the selection of the valuation assumptions applied to the Society's defined benefit pension schemes as set out in note 20.

- **Value of investment properties**

The Group revalued its farmland as at 31 March 2021 in accordance with its accounting policies. As is normal for this sort of exercise, there was a significant element of judgement used and a number of assumptions made by the Society's professional valuers in arriving at their valuation.

- **Bad and doubtful debts**

The Group provides against rent arrears of current and former tenants and other miscellaneous debts to the extent that they are considered to be irrecoverable.

c) Basis of Consolidation

The Group financial statements consolidate the financial statements of the Society, and its wholly owned subsidiaries, Epilepsy Enterprises Limited and NSE Facilities Limited, at 31 March 2023 with intra group loan and trading account balances and other intra group transactions being eliminated.

A summary of the key accounting policies, which have been applied consistently across all entities, is set out below.

d) Income

The Group recognises revenue when its receipt is probable as per section 23 of FRS102. All income is included in the Statement of Financial Activities when the Group is legally entitled to the income, is reasonably certain of receipt and the amount can be measured with reasonable accuracy.

Income from care fees is recognised when the care services related to that income have been delivered, taking into account the time period that the invoices relate to.

Legacies' entitlement is recognised when it is probable that it will be received i.e. the charity has been informed that there has been grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and any conditions attached to the legacy are either within the control of the charity or have been met.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably. Additionally, it is receivable when the conditions for receipt of agreed donation or grant funding have been met. Where terms and conditions have not been met or uncertainty exists as to whether the charity can meet the terms or conditions otherwise within its control, the income is not recognised but deferred as a liability until it is probable that the terms or conditions imposed can be met.

Donated services totalling £316k (2022: £312k) are included as a gift in kind and an expense and are included at their estimated value to the charity where this is reasonably quantifiable and measurable. In accordance with the Charities SORP (FRS 102), the general time of volunteers is not recognised.

e) Funds

Unrestricted funds are funds that are expendable at the discretion of the Trustees in furtherance of the general objects of the Society and which has not been designated for other purposes.

Designated funds comprise unrestricted funds that have been put aside at the discretion of the Trustees for particular purposes (see note 17). Each Designated fund is applied by the Board of Trustees on the recommendation of the Finance, Performance and Resources Committee.

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

f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources. Overheads have been allocated on a mix of the most appropriate bases of staff numbers, building size, income or expenditure.

g) Tangible fixed assets

All assets are held at cost less accumulated depreciation.

h) Intangible fixed assets

Intangible assets are identifiable non-monetary assets without physical substance. The Group's intangible assets comprise IT software and licences. These are stated at cost less accumulated amortisation. The cost includes cost of asset purchase and other directly attributable costs.

The threshold for capitalisation is £1,000 for a single asset or group of assets.

i) Depreciation and amortisation of fixed assets

Freehold land is not depreciated.

Other assets are depreciated, on a straight-line basis over the useful economic life of the assets from the date of acquisition, as follows:

- | | |
|--|-------------------|
| • Freehold buildings used for the Society's operational activities | 50 years |
| • Leasehold buildings | Life of the lease |
| • Fixtures, fittings, furniture, and equipment | 4-10 years |
| • Computer and other equipment | 3-10 years |
| • Vehicles | 5 years |

Intangible assets are amortised on a straight-line basis over the useful economic life of the asset as follows:

- | | |
|---|------------------------------|
| • Software licences | 3 years |
| • Other licences, trademarks, rights etc. | over their identifiable life |

j) Investments

The Group's investment in farmland is stated at market value. A full external valuation of the Estate including all property and land will be obtained at least every three years or if there is likely to be a material change in the value. The most recent external valuation was performed as at 31 March 2021 on the farmland. A desktop revaluation is performed in the intervening years. Investments in the subsidiaries are stated at cost. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

k) Listed Investments

Investments are included in the Balance Sheet initially at cost and revalued to market value at the reporting date. Realised gains and losses on disposals and unrealised gains and losses on investments at the Balance Sheet date are included in the Statement of Financial Activities. The historical cost of investments is shown in note 14.

l) Impairment

The Group carries out an impairment review of individual tangible assets and cash generating units at each reporting date. The review takes into account internal and external indicators of impairment. Where an indicator of impairment exists, an impairment assessment is performed where the carrying amount is compared to the recoverable amount. If the carrying amount of an asset or cash generating unit exceeds the recoverable amount, then the loss is charged to the SOFA as expenditure and as a separate line within operating expenditure where it is considered to be material.

m) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability of another entity. The Group accounts for its financial instruments using sections 11 and 12 of FRS102. Basic financial instruments are initially recognised at transaction price and in subsequent years at amortised cost. Financial instruments that do not meet the criteria of basic financial instruments are initially recognised at fair value and in subsequent years are measured at fair value at the end of each reporting period with any changes in fair value being recognised in the SOFA. The Group's financial instruments are all currently classified as basic.

Financial assets are derecognised when the rights to the cash flows from the asset expire or are settled. Financial liabilities are derecognised when the obligation is discharged, cancelled, or expired. Any difference between the consideration paid or received and the amounts derecognised are recognised in the SOFA.

n) Stock

Stock comprises goods for resale and is valued at the lower of cost or net realisable value after making due allowance for obsolete or slow-moving items.

o) Taxation

The Society is a registered charity and is exempt from Corporation Tax on its income and gains to the extent that they are applied to its charitable purposes. The subsidiaries aim to distribute any taxable profits in full to the Society through Gift Aid so will only provide for a tax liability where this is not possible.

p) VAT

Most expenditure is subject to VAT, which the Society is unable to reclaim. This expenditure is therefore shown inclusive of VAT. VAT can be reclaimed by the Society under the partial exemption method for certain other activities and this recovery is recognised in the SOFA during the year. Where the activities of the Society's subsidiaries relate to taxable supplies, VAT can be reclaimed, and this expenditure is shown net of VAT. The balance of VAT payable to or recoverable at the year-end is included in the Balance Sheet as a current liability or asset.

q) Pension costs

The Society operates a defined benefit pension scheme for permanent employees, which was closed to new entrants in 2006 and it is recognised according to section 28 of FRS102. The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

r) Provisions

The Group provide for liabilities when:

- there is a present legal or constructive obligation, resulting from a past event, at the balance sheet date;
- it is probable that a transfer of economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

3. Voluntary income and costs of raising funds

Group	31 March 2023		31 March 2022	
	Income and direct costs	Support costs	Total income and costs	Total income and costs
	£'000	£'000	£'000	£'000
Income:				
Donations and fundraising	1,883	-	1,883	1,585
Legacies	788	-	788	1,108
Grants	730	-	730	680
Total income	3,401	-	3,401	3,373
Expenditure:				
Costs of raising funds	(811)	(197)	(1,008)	(1,039)
Net funds raised	2,590	(197)	2,393	2,334

The above income was all in the Society, which also received £5k in gift aid, giving total Society income of £3,406k.

4. Charitable activities

The Group carries on a range of charitable activities, some of which are funded from Local Authorities, Care Commissioning Groups, Integrated Care Boards and NHS Trusts. Others are funded from grants and voluntary income. These are grouped below in the following categories:

- **Care services** - the Society ran 6 care homes and a supported living service for people in supported housing or their own homes.
- **Research** - the Society carries out research, in conjunction with UCL and UCLH, to take forward the prevention and treatment of the condition of epilepsy. The major investment is in genomic research but other related research is also undertaken.
- **Medical services** - the Group provides services and facilities for people with epilepsy, to UCLH and other NHS trusts, including a 24 bed in-patient facility, therapeutic drug monitoring, MRI, other diagnostic assessments, an on-call doctor service and direct therapeutic services such as occupational therapy and art therapy.
- **Help, information and advocacy services** - the Society provides help and support to people with epilepsy through a helpline, online assistance, provision of information, signposting, training for professionals and advocacy and awareness raising activities.

The income and costs from these activities are set out below:

	31 March 2023 Group		31 March 2022 Group	
	Direct Activity	Support Activity	Total Funds	Total Funds
	£'000	£'000	£'000	£'000
Income				
Care services	12,264	-	12,264	11,057
Research	-	-	-	-
Medical services	1,631	-	1,631	1,633
Help, information and advocacy	69	-	69	68
	13,964	-	13,964	12,758
Expenditure				
Care services	(9,239)	(4,170)	(13,409)	(11,350)
Research	(1,512)	(548)	(2,060)	(1,774)
Medical services	(1,115)	(613)	(1,728)	(1,683)
Help, information and advocacy	(360)	(254)	(614)	(540)
	(12,226)	(5,585)	(17,811)	(15,347)

5. Other trading activities

The Group carries out a limited amount of other trading activities to raise funds for the Society. Some of these activities are carried out through the Society's subsidiary, Epilepsy Enterprises Limited. A breakdown of these activities is set out below:

Group	31 March 2023		31 March 2022	
	Income and direct costs	Support costs	Total income and costs	Total income and costs
	£'000	£'000	£'000	£'000
Income:				
Merchandise	14	-	14	11
Coffee Shop	46	-	46	-
Rental income and overnight charges	254	-	254	960
Total income	314	-	314	971
Expenditure:				
Costs of sales - merchandise and shop	(60)	-	(60)	(13)
Letting costs	(121)	(139)	(260)	(484)
Net surplus/(deficit)	133	(139)	(6)	474

The Society's trading activities exclude the merchandise and coffee shop above, £5,000 of rental income (2022: £5,000) and £5,000 of support costs (2022: £5,000).

6. Investment income

	31 March 2023		31 March 2022	
	Group		Group	
	£'000		£'000	
Income from farmland	107		107	
Other sundry lease income	2		66	
Interest receivable and dividends	65		5	
Total	174		178	

7. Support costs

Support costs allocated to the activities of the charity represent the running costs of the Society. This includes substantial costs of managing our large and ageing estate including depreciation of the unused buildings. As a result, the Trustees are of the opinion that to simply allocate all the support costs in total would not provide a reasonable reflection of the costs of providing the services. Therefore, the costs have been split out below between normal running costs and additional costs that the charity currently incurs in maintaining its estate.

7. Support costs (continued)

	31 March 2023 Group £'000	31 March 2022 Group £'000
Corporate, finance and governance costs	1,961	1,905
HR and IT costs	877	643
Depreciation of non-function specific assets	44	93
Estates and office services costs	1,213	622
Normal support costs	4,095	3,263
Additional costs¹:		
Depreciation of non-function specific assets	49	51
Estates and land costs	1,777	1,546
Total allocated support costs	5,921	4,860
Allocated to		
Charitable activities:		
Care	4,170	3,196
Research	548	439
Medical Services	613	541
Help, information and advocacy services	254	204
Total charitable activities	5,585	4,380
Raising funds	197	280
Other trading activities	139	200
Total allocated support costs	5,921	4,860

¹ these costs represent expenditure on estate maintenance that arise only because of the nature of the Society's estate, and depreciation of disused buildings together with costs of consultants and advisors employed to further the development or sale of part of the Society's estate.

8. Other income and expenditure**Other expenditure**

The Society operates a defined benefit pension arrangement called the Epilepsy Society Pension and Life Assurance Scheme (the "Scheme"). Details of the Scheme are set out in note 20. The Scheme has been closed to new members for a number of years and at 31 March 2023 only had 5 active members (2022: 5). The Society makes employer contributions for these employees and significant deficit contributions into the Scheme which are accounted for as a cost in the normal way.

The major administration costs of running the Scheme are paid for directly by the Society rather than the Scheme. These costs, which total £176k (2022: £151k), together with the pension service costs and the pension interest costs are treated as other expenditure in the accounts, and together come to £333k (2022: £454k).

9. Employee information

Employees costs during the year were:

	31 March 2023 Group £'000	31 March 2022 Group £'000
Employee Costs		
Wages and salaries	8,055	8,113
Social Security costs	739	689
Pension costs	244	247
Apprentice Levy	22	24
Total	9,060	9,073

Employer deficit contributions of £1,294,000 (2022: £287,000) were paid into the Society's defined benefit pension scheme during the year as described in note 20. During the year Epilepsy Society paid and/or accrued £nil (2022: accrued £20,000) of redundancy costs.

The average number of people employed during the year was:

	31 March 2023 Group	31 March 2022 Group
Residential and domiciliary care services	249	297
Research and medical Services	24	25
Communication, information and marketing	13	13
Fundraising	8	7
Administration and management	31	31
Total	325	373

Bandings of employee emoluments

	2023 No	2022 No
More than £60,000 but not more than £70,000	2	3
More than £70,000 but not more than £80,000	2	1
More than £80,000 but not more than £90,000	-	1
More than £90,000 but not more than £100,000	1	-
More than £110,000 but not more than £120,000	1	1
More than £140,000 but not more than £150,000	1	1
Total	7	7

10. Trustees and Executive Officers

Details of Trustees and Executive Officers are set on page 56 of these Financial Statements. Trustees do not receive any remuneration and during the year one Trustee claimed expenses totalling £223 for travel and subsistence (2022: two Trustees claimed £919).

The table in note 9 setting out employees in pay bands includes the Chief Executive Officer and other Executive Officers whose remuneration totalled more than £60,000 in the year. All Executive Officers are employed on contracts that are the same as those used for other staff and benefits, including pensions, on the same basis.

The total emoluments received by the Chief Executive Officer and other Executive Officers identified as key management personnel was £617k (2022: £565k) represented by salary of £528k (2022: £488k), national insurance of £70k (2022: £60k) and pension contributions of £19k (2022: £17k).

11. Net income

Net income is stated after charging/(crediting):

	31 March 2023	31 March 2022
	Group	Group
	£'000	£'000
Depreciation of tangible fixed assets	609	612
Amortisation of Intangible fixed assets	38	33
Operating lease rentals:		
office equipment	1	-
External auditor's remuneration excl VAT:		
audit of the financial statements	36	31
for other services	30	14
Rental Income	366	442

12. Fixed assets: intangible assets

	31 March 2023		31 March 2022	
	Software & systems		Software & systems	
	Group	Society	Group	Society
	£'000	£'000	£'000	£'000
Cost				
At 1 April	235	235	271	271
Additions	26	26	-	-
Disposals	(6)	(6)	(36)	(36)
At 31 March	255	255	235	235
Accumulated Amortisation				
At 1 April	(143)	(143)	(146)	(146)
Charge for the year	(38)	(38)	(33)	(33)
Disposals	6	6	36	36
At 31 March	(175)	(175)	(143)	(143)
Net book value				
At 31 March	80	80	92	92

13. Fixed assets: tangible assets

Group	31 March 2023				
	Freehold land & buildings	Fixtures, fittings, furniture & equipment	Computer & other equipment	Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2022	20,909	648	3,416	111	25,084
Additions	-	31	190	93	314
Disposals	-	(45)	(361)	(37)	(443)
At 31 March 2023	20,909	634	3,245	167	24,955
Accumulated depreciation:					
At 1 April 2022	(6,495)	(524)	(2,997)	(99)	(10,115)
Charge for the year	(414)	(47)	(134)	(14)	(609)
Disposals	-	45	349	36	430
At 31 March 2023	(6,909)	(526)	(2,782)	(77)	(10,294)
Net book value:					
At 31 March 2023	14,000	108	463	90	14,661
At 31 March 2022	14,414	124	419	12	14,969

The land and buildings held by the Group and the Society were valued as at 31 March 2019 by Carter Jonas, a qualified RICS valuer, who valued the total land and buildings held by the Group at that date at £52.5 million.

13. Fixed assets: tangible assets (Continued)

Society	31 March 2023				
	Freehold land & buildings	Fixtures, fittings, furniture & equipment	Computer & other equipment	Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 April 2022	19,145	648	3,416	111	23,320
Additions	-	31	190	93	314
Disposals	-	(45)	(361)	(37)	(443)
At 31 March 2023	19,145	634	3,245	167	23,191
Accumulated depreciation:					
At 1 April 2022	(5,886)	(524)	(2,997)	(99)	(9,506)
Charge for the year	(379)	(47)	(134)	(14)	(574)
Disposals	-	45	349	36	430
At 31 March 2023	(6,265)	(526)	(2,782)	(77)	(9,650)
Net book value:					
At 31 March 2023	12,880	108	463	90	13,541
At 31 March 2022	13,259	124	419	12	13,814

14. Fixed assets: investments

	Society Farmland £'000	Multi-Asset Fund £'000	Group Total £'000
Cost or valuation:			
At 1 April 2022	4,440	-	4,440
Additions	-	5,000	5,000
Gains before management fees	-	74	74
Management fees deducted	-	(36)	(36)
At 31 March 2023	4,440	5,038	9,478
At 31 March 2022	4,440	-	4,440

The Society owns 222 acres of farmland that is rented out under an agricultural lease and treated as an investment. A revaluation gain of £2,240k on the Society's farmland was recognised at 31 March 2021. The basis of the valuation is for full vacant possession and takes into account similar land in the locality in line with the comparable approach generally accepted for valuation for agricultural property.

The Society has an investment of fully paid-up share capital in subsidiary NSE Facilities Limited of £2,446k, which is eliminated on consolidation.

During the year the Society invested £5,000k with Cazenove in their Multi-Asset Fund, which returned a net gain of £38k after management fees. We also placed £869k with them just before the year-end, which is on short-term deposit and treated as a current asset in the Society and Group balance sheet.

15. Debtors

	31 March 2023		31 March 2022	
	Group £'000	Society £'000	Group £'000	Society £'000
Due within one year				
Residential and Domiciliary Care Services	506	506	457	457
Less: Provision for bad and doubtful debts	(86)	(86)	(95)	(95)
	420	420	362	362
Medical Services Receivable	157	157	247	247
Rent Receivable	9	9	8	8
Other Receivables	27	27	5	5
VAT Refundable	2	-	3	-
Prepayments & Accrued Income	1,006	1,006	1,212	1,212
Amounts due from Subsidiaries	-	5	-	13
Total due within one year	1,621	1,624	1,837	1,847

16. Creditors: Amounts falling due within one year

	31 March 2023		31 March 2022	
	Group	Society	Group	Society
	£'000	£'000	£'000	£'000
Trade creditors	689	689	531	531
Taxation and social security	204	204	220	220
Amounts held for residents and tenants	53	53	51	51
VAT payable	4	4	21	21
Other creditors	248	248	207	207
Accruals and deferred income	2,779	2,772	2,084	2,078
Total Creditors: Amounts falling due within one year	3,977	3,970	3,114	3,108

The deferred income balance as at 1st April 2022 was £453k. All £453k of this balance was released to income during the year, and £198k received during 2022/23 was deferred to future periods because it related to services to be provided in 2023/24.

17. Fund movements

Group	31 March 2023					
	At 1 April 2022	Income	Expenditure	Transfers	Gains and losses	At 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
General funds	21,768	17,535	(17,133)	-	61	22,231
Designated funds	7,456	-	(2,800)	-	-	4,656
Revaluation reserve	2,240	-	-	-	-	2,240
Pension reserve	(6,550)	-	1,101	-	1,719	(3,730)
Total unrestricted funds	24,914	17,535	(18,832)	-	1,780	25,397
Restricted funds	3,028	364	(640)	-	-	2,752
Total funds	27,942	17,899	(19,472)	-	1,780	28,149

Group	31 March 2022					
	At 1 April 2021	Income	Expenditure	Transfers	Gains and losses	At 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
General funds	21,527	15,761	(16,251)	731	-	21,768
Designated funds	8,263	-	-	(807)	-	7,456
Revaluation Reserve	2,240	-	-	-	-	2,240
Pension reserve	(9,555)	-	-	76	2,929	(6,550)
Total unrestricted funds	22,475	15,761	(16,251)	-	2,929	24,914
Restricted funds	2,751	914	(637)	-	-	3,028
Total funds	25,226	16,675	(16,888)	-	2,929	27,942

During 2019/20, The Trustees decided to create a designated fund to ensure that the proceeds from the sale of a tranche of our land to Audley in March 2019 would be used for the purposes they had agreed. The designated fund is used for a combination of four purposes:

- To invest in the backlog of works needed on the Society's ageing estate;
- To make one-off payments to the Society's pension scheme in 2020/21 and 2022/23 as part of the deficit reduction plan;
- To pay for consultants and legal costs incurred in possible development of the Society's land;
- To fund the Society's research programme to the extent that fundraising income fails to do so.

During the year, the Society incurred £2,800k (2022: £807k) in expenditure in these areas and this amount has been transferred out of the reserve during the year.

17. Fund movements (continued)

Society	31 March 2023					
	At 1 April 2022	Income	Expenditure	Transfers	Gains and losses	At 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
General funds	22,743	17,520	(17,087)	-	61	23,237
Designated funds	7,456	-	(2,800)	-	-	4,656
Revaluation reserve	2,240	-	-	-	-	2,240
Pension reserve	(6,550)	-	1,101	-	1,719	(3,730)
Total unrestricted funds	25,889	17,520	(18,786)	-	1,780	26,403
Restricted funds	3,028	364	(640)	-	-	2,752
Total funds	28,917	17,884	(19,426)	-	1,780	29,155

Society	31 March 2022					
	At 1 April 2021	Income	Expenditure	Transfers	Gains and losses	At 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
General funds	22,465	15,747	(16,200)	731	-	22,743
Designated funds	8,263	-	-	(807)	-	7,456
Revaluation reserve	2,240	-	-	-	-	2,240
Pension reserve	(9,555)	-	-	76	2,929	(6,550)
Total unrestricted funds	23,413	15,747	(16,200)	-	2,929	25,889
Restricted funds	2,751	914	(637)	-	-	3,028
Total funds	26,164	16,661	(16,837)	-	2,929	28,917

18. Fund assets and liabilities

The analysis of net assets between funds is set out below:

	Group		Society	
	31 March 2023		31 March 2023	
	Unrestricted funds	Restricted funds	Unrestricted funds	Restricted funds
	£'000	£'000	£'000	£'000
Tangible and intangible fixed assets	13,601	1,140	12,481	1,140
Investments	9,478	-	11,924	-
Current assets	10,025	1,612	9,698	1,612
Current liabilities	(3,977)	-	(3,970)	-
Defined benefit pension liability	(3,730)	-	(3,730)	-
Total net assets at 31 March 2023	25,397	2,752	26,403	2,752

	Group		Society	
	31 March 2022		31 March 2022	
	Unrestricted funds	Restricted funds	Unrestricted funds	Restricted funds
	£'000	£'000	£'000	£'000
Tangible and intangible fixed assets	13,891	1,170	12,736	1,170
Investments	4,440	-	6,886	-
Current assets	16,247	1,858	15,925	1,858
Current liabilities	(3,114)	-	(3,108)	-
Defined benefit pension liability	(6,550)	-	(6,550)	-
Total net assets at 31 March 2022	24,914	3,028	25,889	3,028

The designated fund at 31 March 2023 is all represented by current assets (cash at bank) and is included in unrestricted funds above.

19. Restricted funds

The Society receives donations and grants that can only be used for specified purposes. The Society maintains records for each donation or grant given in this way and allocates costs against those funds. The table below summarises the types of activities the income is received in respect of. In some cases, actual restrictions are more specific than the general categories used in this table.

Group and Society	31 March 2023				
	At 1 April 2022	Income	Costs	Transfers	At 31 March 2023
	£'000	£'000	£'000	£'000	£'000
Specific genomics research	1,039	0	(227)	-	812
General genomics research	8	159	(131)	-	36
Specific other research	163	-	(34)	-	129
General research	347	65	(95)	-	317
MRI IT upgrade	15	-	-	-	15
Helpline service	127	40	(61)	-	106
Care services and activities	115	26	-	-	141
The New House	1,170	-	(30)	-	1,140
Other areas	44	74	(62)	-	56
Total restricted funds	3,028	364	(640)	-	2,752

The costs above include £10,000 (2020: £59,000) relating to capital purchases.

Group and Society	31 March 2022				
	At 1 April 2021	Income	Costs	Transfers	At 31 March 2022
	£'000	£'000	£'000	£'000	£'000
Specific genomics research	844	636	(441)	-	1,039
General genomics research	-	61	(53)	-	8
Specific other research	144	19	-	-	163
General research	269	78	-	-	347
MRI IT upgrade	15	-	-	-	15
Helpline service	156	33	(62)	-	127
Care services and activities	108	56	(49)	-	115
The New House	1,200	-	(30)	-	1,170
Other areas	15	31	(2)	-	44
Total restricted funds	2,751	914	(637)	-	3,028

The nature of the restriction on these funds can be understood from the table above with the exception of "The New House", which represents donations that were received in prior years for the building of a block of 12 supported flats for people with epilepsy. The depreciation on the capital asset, which is still subject to the restrictions, is charged to the fund.

The prior year figures above set out the element of the 2022 Statement of Financial Activities that relate to restricted income and expenditure. All other items in the prior year SOFA relate to unrestricted funds.

20. Pensions

Epilepsy Society (the Company) operates a defined benefit pension arrangement called the Epilepsy Society Pension Scheme (the Scheme) to 5 permanent employees (2022: 5). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The Company also operates a defined contribution scheme but this is not included in these disclosures.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Company must agree with the Trustees of the Scheme the contributions to be paid to meet any shortfall against the Statutory Funding Objective and to pay for the future accrual of benefits.

The most recent comprehensive actuarial valuation of the Scheme was carried out as at 31 March 2022. As a result, the Schedule of Contributions has been amended, as laid out below, with future annual deficit contributions reducing slightly. The next actuarial valuation will be carried out as at 31 March 2025.

The Company expects to pay contributions of £303,000 in the year to 31 March 2024, plus the cost of the Pension Protection Levy and the expenses of operating the Scheme. This is in line with the deficit reduction contributions agreement reached by the Society and the Scheme Trustees based on the 2022 actuarial valuation, which is summarised below:

- £273,182 pa, to be paid towards the Scheme in monthly instalments on or before the 19th of each calendar month following that to which the payment relates, up to 31 March 2024; and
- £520,000 pa, to be paid towards the Scheme in monthly instalments on or before the 19th of each calendar month following that to which the payment relates, from 1 April 2024 up to 31 March 2030, with this payment increasing by 3% pa on 1 April 2025 and each 1 April thereafter.

The Scheme is managed by a board of Trustees appointed in part by the Company and in part from elections by members of the Scheme. Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

The effect of the judgment regarding equalisation of guaranteed minimum pensions for past transfers has been accounted for as a past service cost during the period.

There were no plan amendments, curtailments or settlements during the period.

The Scheme exposes the Company to a number of risks:

- Investment risk. The Scheme holds investments in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk. The Scheme's liabilities are assessed using market yields on high quality corporate bonds to discount the liabilities. As the Scheme holds assets such as equities the value of the assets and liabilities may not move in the same way;
- Inflation risk. A proportion of the benefits under the Scheme are linked to inflation. Although the Scheme's assets are expected to provide a good hedge against inflation over the long term, movements over the short-term could lead to deficits emerging;
- Mortality risk. In the event that members live longer than assumed, a deficit will emerge in the Scheme;
- Member options. Certain benefit options may be exercised by members without requiring the consent of the Trustees or the Company, for example exchanging pension for cash at retirement. In this example, if fewer members than expected exchange pension for cash at retirement then a funding strain will emerge;
- Legislative risk. Changes in legislation could increase the value of the Scheme's liabilities; and
- Climate risk. This may manifest itself through any of the other risks identified above, including investment and inflation risk, potentially causing a deterioration in the Scheme's funding position.

The principal actuarial and main financial assumptions used to calculate the Scheme liabilities are:

Group and Society	31 March 2023	31 March 2022
	%age pa	%age pa
Salary increase rate	3.05	3.50
CPI pension increases (fixed at 3%)	3.00	3.00
CPI pension increases (between 3% and 5%)	3.25	3.70
CPI pension increases (maximum 5%)	3.05	3.35
CPI pension increases (maximum 2.5%)	2.45	2.30
Discount rate	4.70	2.65
RPI increase rate	3.40	3.90
CPI increase rate	3.05	3.50
Tax free cash on commutation	20.00	20.00
Post-retirement mortality	S3PA tables with CMI 2021 projections using a long-term improvement rate of 1.25% pa. The initial addition is 0.5% pa., the 2020 and 2021 weight parameters are 10%.	S3PA tables with CMI 2018 projections using a long-term improvement rate of 1.25% pa. The initial addition is 0.5% pa.

The CPI for pension increases figures above set out the assumption used for pension increases dependent on the increase clause within members' pension conditions.

20. Pensions (continued)**Assets held in the scheme**

The Scheme invests funds in range of assets to produce an investment return. At 31 March 2023, the analysis of assets based on the valuation at that date is as follows:

Group	31 March 2023	31 March 2022
	£'000	£'000
Equities	8,902	12,853
Gilts and bonds	5,126	6,767
Liability Driven Investment	6,486	8,087
Property	1,037	1,236
Cash	618	576
Other assets	1,231	771
Total	23,400	30,290

The actual gross return on the assets over the period was a loss of £6,524,000 (2022: a gain of £617,000). The assets do not include investment in the shares of the Society or any Group company.

Under FRS102, the expected return on assets is the same as the discount rate used to value the liabilities. However, the assets and liabilities will not generally change in the same manner over time and are also unlikely to change in the same way as other measures of the funding position such as that used for scheme funding or assessing solvency.

Amounts recognised in the Balance Sheet as at 31 March 2023

Group	31 March 2023	31 March 2022
	£'000	£'000
Fair value of employer assets	23,400	30,290
Present value of funded liabilities	(27,130)	(36,840)
Net liability	(3,730)	(6,550)

Amounts recognised in the Statement of Financial Activities for the year ended 31 March 2023

Group	31 March 2023	31 March 2022
	£'000	£'000
Current service cost	36	37
Past service cost	-	-
Interest on Scheme liabilities	955	733
Interest on Scheme assets	(798)	(559)
Total	193	211

20. Pensions (continued)**Re-measurements for the year ended 31 March 2023**

Group	31 March 2023	31 March 2022
	£'000	£'000
Gain/(loss) on scheme assets in excess of interest	(7,322)	58
Experience gains/(losses) on liabilities	622	-
Gains/(losses) from changes to assumptions:		
Due to changes in demographic assumptions	54	-
Due to changes to financial assumptions	8,365	2,871
Total actuarial gains/(losses) per SOFA	1,719	2,929

Reconciliation of fair value of the Society's assets

Group and Society	31 March 2023	31 March 2022
	£'000	£'000
Fair value of assets at 1 April	30,290	30,775
Interest on assets	798	559
Employer contributions	1,294	287
Contributions by Scheme participants	10	10
Benefits paid	(1,668)	(1,397)
Administration costs	(2)	(2)
Return on scheme assets less interest	(7,322)	58
Fair value of assets at 31 March	23,400	30,290

Reconciliation of the Society's defined benefit obligation

Group	31 March 2023	31 March 2022
	£'000	£'000
Defined benefit obligation at 1 April	(36,840)	(40,330)
Current service cost	(34)	(35)
Past service cost	-	-
Contribution by Scheme participants	(10)	(10)
Interest cost	(955)	(733)
Benefits paid	1,668	1,397
Experience gains/(losses) on liabilities	622	-
Changes to demographic assumptions	54	-
Changes to financial assumptions	8,365	2,871
Defined benefit obligation at 31 March	(27,130)	(36,840)

20. Pensions (continued)**Sensitivity of the value of liabilities**

As with most defined benefit pension schemes, the value of the liabilities in the Scheme would be different if assumptions were changed. The table below sets out the impact on the Scheme's liabilities if the main assumptions were changed:

Adjustments to assumptions	Approximate (decrease)/ increase in liabilities
	£'000
Discount rate – increased by 0.5%	(1,433)
Inflation – increased by 0.5%	1,151
Commutation – remove 20% allowance	274

21. Operating leases

The Society has a number of non-cancellable operating leases for printers and office equipment. Details are set out below:

	31 March 2023	31 March 2022
	Group	Group
	£'000	£'000
IT and office equipment		
Within one year	21	1
One year or more but less than five years	85	-
Total operating leases	106	1

22. Subsidiaries

The Society owns 100% of the share capital in two subsidiaries, Epilepsy Enterprises Limited and NSE Facilities Limited, who gift aid any taxable profits to the Society. Both subsidiaries' registered office and place of business is the same as the Society as set out on page 56. A summary of their activities and results for the year is set out below:

22. Subsidiaries (continued)**Epilepsy Enterprises Ltd**

The main activities of the company are the sale of goods and services to raise funds for the charity and other related trading activities. A summary of its Income Statement and a summarised Statement of Financial Position are set out below:

Statement of income	Year ended 31 March 2023	Year ended 31 March 2022
	£'000	£'000
Turnover	19	16
Cost of sales	(4)	(6)
Administrative expenses	(4)	(7)
Profit on ordinary activities	11	3

The Statement of Changes in Equity recognised a Gift Aid payment of £4,980 (2022: £2,199).

Statement of Financial Position	As at 31 March 2023	As at 31 March 2022
	£'000	£'000
Stock	20	16
Debtors	3	3
Cash at bank	6	10
Creditors: amounts falling due within one year	(11)	(17)
Total net assets	18	12
Share capital (2 ordinary shares of £1 each)	-	-
Accumulated profit	18	12
Total reserves	18	12

22. Subsidiaries (continued)**NSE Facilities Ltd**

This company is inactive other than owning the building, the Gowers Centre, from which medical services are provided to the UCLH NHS Foundation Trust. A summary of its Income Statement and a summarised Statement of Financial Position are set out below:

Statement of income	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Turnover	-	-
Operating costs	(37)	(38)
Loss on ordinary activities	(37)	(38)

The Statement of Changes in Equity recognised a Gift Aid payment of £nil (2021: £nil)

Statement of Financial Position	As at 31 March 2023 £'000	As at 31 March 2022 £'000
Tangible fixed assets	1,120	1,155
Amounts due from Subsidiaries	-	-
Cash at bank	304	306
Creditors: amounts falling due within one year	(2)	(2)
Total net assets	1,422	1,459
Share capital	2,446	2,446
Accumulated loss	(1,024)	(987)
Total reserves	1,422	1,459

The share capital comprises 2 'A' ordinary shares of £1 each and 2,446,000 'B' ordinary redeemable shares of £1 each. The tangible fixed assets related wholly to buildings are reported at cost less accumulated depreciation.

23. Related party transactions

During the year, the Society received a Gift Aid distribution from Epilepsy Enterprises Limited of £4,980 (2022: £2,199). At 31 March 2023, Epilepsy Enterprises Limited owed the Society £5,005 (2022: £12,608) and the balance between NSE Facilities Limited and the Society was £nil (2022: £nil).

Registered Office: Chesham Lane, Chalfont St Peter
Buckinghamshire SL9 0RJ

Patron: Formerly Her Majesty, The Queen (1952-2022)

President: The Rt Hon Countess Howe

Board of Trustees

Peter Worthington	Chair (until 30 June 2023)
Peter Goodfellow	Treasurer (resigned 13 December 2022)
Catherine Alcock	Chair (from 1 July 2023)
Deborah Wheeler	
Andrew Farrell	(Resigned 13 December 2022)
Andrew George	
James Hagan	
Stephen Smith	
Madani Sow	
Andrew Gosling	
Andrew Gray	Treasurer (appointed 10 July 2023)
Tracie Coultas-Pitman	
Jacqueline Sullivan	
Jane Worsley	(Resigned 22 September 2022)

Management Board

Chief Executive	Clare Pelham
Director of Care Services	Jonny Anders-Cannon (to 31 December 2022)
Acting Director of Care Services	Rebecca Salvatierra (from 1 January 2023)
Development Director	Jonny Anders-Cannon (from 1 January 2023)
Director of Fundraising	Gordon Craig
Chief Financial Officer	Andy James
Medical Director	Ley Sander
Director of Land and Estates	Kevin Bournier

External Auditors: Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Bankers: National Westminster Bank Plc
44 Packhorse Road, Gerrards Cross
Buckinghamshire SL9 8EA

Legal Advisors:	B P Collins 32 – 38 Station Road, Gerrards Cross Buckinghamshire SL9 8EL	Bevan Britten LLP Fleet Place House 2 Fleet Place London EC4M 7RF
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