

ANNUAL REPORT & ACCOUNTS

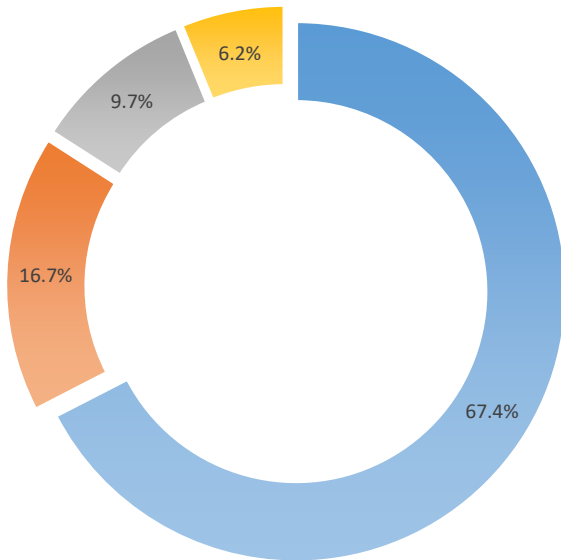
For the year ended 31 December 2021



The Queen Alexandra Hospital Home since 1919

How the funds have helped

How the money came in

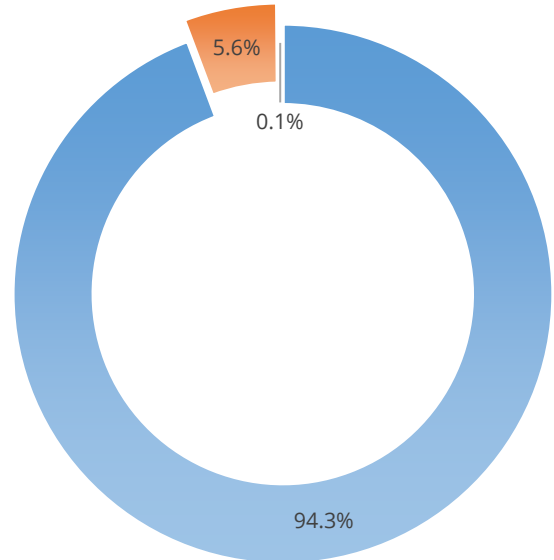


cove

- Charitable activities
- Donations and fundraising events
- Legacies
- Investment and other income

Total income £4.26m

How the money went out



- Charitable activities
- Fundraising costs
- Investment and other income costs

Total expenditure £4.98m

Contents

Chairman's Report.....	3
Report of the Trustees and Strategic Report.....	4-16
Independent Auditors' Report.....	17-18
Consolidated Statement of Financial Activities.....	19
Balance Sheets.....	20
Consolidated Statement of Cash Flows.....	21
Notes to the Consolidated Accounts.....	22-37



CHAIRMAN'S REPORT

I am pleased to provide a foreword to this report for 2021 for Care for Veterans (CfV). Last year I wrote that it was a year like no other; now we close another very difficult year. Covid has continued to affect us all at CfV, both in our professional and domestic lives and routines. You will read more on the impact of the virus on CfV within the various sections of this report. However, it is testament to the extreme measures which were put in place when necessary and appropriate last year, and rigorously implemented by all those who work on the site in a variety of capacities, that we maintained the highest level of care and service to the residents. Although there were a relatively small number of cases amongst both staff and residents, there were no deaths directly attributable to the pandemic in 2021.

2021 could have been another devastating year for CfV, but this was not the case. Challenges were overcome one by one, and a new rhythm was established so that everyone knew what had to be done and how to do it. Regrettably, this included limiting the number of people who could either work at or visit the home. New ways of working were proven over the year to maintain business continuity so that the charity could continue to function. The new IT systems really came into their own enabling some people to work from home seamlessly and effectively; this worked extremely well and to everyone's benefit.

However, the clinical and facilities staff did not have that option and continued to work on site throughout and they deserve the highest accolade for their supreme efforts. If 2021 proved anything, it certainly continued to reinforce the evidence that people will always rise to the challenges which unforeseen events and circumstances demand. I cannot speak highly enough of the resilience, which was shown, and the results achieved in 2021 underpin this.

In addition, we maintained work on a number of essential upgrades and programmes, within the restrictions imposed as a result of COVID-19. We completed the programme to divide seven of the nine existing double rooms into singles. This will enable us to return resident numbers as close as possible to the maximum capacity of 60. Although resident numbers dropped in 2021, more beds are now being filled and the benefits of single rooms are already evident.

Finances remain tight and this is reflected in the deficit for 2021. Legacies are crucial to these figures. As always legacy income is very important, and I am extremely grateful to all those who have so generously included CfV in their Wills. I would like to take this opportunity to encourage individuals who are reviewing their Wills to consider including CfV in them.

The Fundraising and Marketing department have had to adapt to the increased use of digital events, switching from traditional fundraising methods when it has not been possible to hold live events, and this has continued to be very successful. They were also very responsive by shifting the dates of events at short notice to exploit the windows when they could be held.

The accounts in this report highlight again how a variety of measures to raise income and funds whilst reducing costs are bearing real fruit. With reserve levels maintained, my fellow Trustees and I are continuing to work closely with the management team to exploit further innovative new ways to reduce our costs and to develop the capabilities of CfV. I am very grateful to all those who have contributed to this work to ensure the long-term viability and sustainability of CfV.

CfV depends on its people. We are lucky to have a very strong team working together to produce the very best results. Staff numbers remain high and great efforts are being made to ensure that we retain staff. Considering the pandemic pressures, I can only reiterate the admiration of the Board of Trustees for everything which has been done by everyone to make 2021 a surprisingly successful year, no matter what the external pressures might have been, and there were many. The sense of pride in what has been achieved is tangible and always receives well deserved credit.

I would like to continue to highlight how difficult the measures we have had to maintain throughout the year have been for the families and friends of the residents. As I have said before, the fact that these measures have been successful is no consolation to those who were not able to spend time with their loved ones, despite innovative methods being in place like the visit pods. I can only restate my gratitude to our residents' families for their understanding and patience as we manage the risks in the home. This has not been easy for anyone, and I fully appreciate the additional pressures this has brought on family members.

2021 saw the environment in which CfV fits settling into a new version of what we must now consider normal. As always, there were fluctuations between periods of great optimism and much more demanding times. We all hope that the pandemic can be controlled to the point where routines are more easily maintained and without constant change. Whatever happens in the coming year, the overall aim will remain to do everything possible to allow CfV to provide the highest standards of care for the residents and a place of work where everyone can fulfil their functions in a very safe and happy way.

James Fanshawe CBE

Chairman

TRUSTEES REPORT

Report of the Trustees for the year ending 31 December 2021

The Trustees of Care for Veterans (CFV) present their annual report and audit of their financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity. This is also a director's report for company law. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

The King George Hospital in London, which cared for those injured in battle closed as the war had ended resulting in a loss of nursing care. However, the needs of many ex-servicemen disabled in WW1 would remain for many years and there would be a change in emphasis from purely surgical care to continuing care for those disabled during the conflict. Lady Ripon, a Lady-in-Waiting to Queen Alexandra, recognised this need and campaigned hard for an establishment to provide long-term care for veterans. Sadly, she died in 1917 before any establishment was created, but her daughter, Lady Juliet Duff, took on the work and wrote to Queen Alexandra to establish a home at Gifford House in Roehampton to care for those disabled personnel discharged from the King George Hospital. This home in Roehampton was loaned to the charity by the Charrington family and recognising the continuing need Lady Duff relocated the charity to a permanent home in Worthing in 1932. The objects of the charity have since been extended and are currently:

"Provide permanent or respite accommodation, end-of-life care and outpatient care for former members of the British Armed Forces and their families, who are-in-need of such care by reason of age, sickness or disability and who require nursing care or rehabilitation."

Ensuring CFV's work delivers our aims:

There is an annual review of CFV's objectives and activities which considers the work in the previous 12 months, measuring the success of those goals and the benefits to its residents. The review also ensures that CFV's aims, objectives, and activities remain within the constraints of the charity's stated purpose.

The Trustees have referred to the guidelines in the Charity Commission's General guidance on Public Benefit when reviewing the charity's aims and objectives and in planning its future activities. The Trustees consider how planned activities will contribute to the aims and objectives they have set.

Our Ethos

Care for Veterans (CFV) considers applications from service veterans and their families, irrespective of their geographical location within the United Kingdom.

Following an application, CFV undertakes an assessment of the potential resident (either in person or, since the pandemic, over the telephone), to ensure that their condition is of a nature that CFV is capable of managing safely.

CFV accepts residents who are funded from a variety of sources – namely Self-funders; Clinical Commissioning Groups (continuing care cases); Local Authorities (Social Services); and War Pensioners (Service Personnel and Veterans Agency).

The cost of care provided to veterans and their families at CFV is subsidised by the charity, thanks to the generosity of its many supporters and donors.

CFV helps its residents in the following way:

- Providing modern facilities and equipment
- Providing full nursing and medical care
- Encouraging social interaction with like-minded former members of HM Forces
- Providing facilities and support to assist in personal matters
- Liaising with resident's former Service Units and Regiments – if desired by the resident.
- Providing a caring and supportive, family-environment until end-of-life.

The medium to long-term strategy is:

- To deliver a high standard of nursing care to all residents
- To continually to upgrade facilities as required
- To promote a green strategy to decrease utilities and demonstrate an environmental responsibility.
- To continue to promote increasing awareness of CFV
- To maintain appropriate high bed occupancy to maximise income
- To increase financial input through increased fundraising resources investigating scoping and developing new services
- To continually review contracts to ensure they are fit for purpose and cost effective

STRATEGIC REPORT

REVIEW OF BUSINESS

Financial review

2021 continued to be dominated by COVID-19 and unfortunately that threat has continued into 2022. Following an outbreak on one of the wings in January 2021, restrictions on admitting new residents and on residents sharing double rooms were implemented in accordance with Public Health England guidelines. At one stage the resident numbers fell below 40 for the first time in many years, but by the end of 2021 had recovered to over 50. Rules on social distancing and infection control restricted CfV's double rooms to single occupancy resulting in a reduction of beds available from 60 to 52.

Total fee income for care was £2.51m (with an additional £367k for fees from non-primary purpose residents), a reduction from 2020 (£2.65m with an additional £491k for fees from non-primary purpose), principally due to the reduced resident numbers during the year. Funding came directly from self-funding residents and funding organisations (principally local authorities and NHS commissioners).

In 2021, CfV converted a further 6 of its double rooms into single rooms, which has increased its capacity to 57 beds.

CfV's review of all staffing departments undertaken in 2020, which focused on improving the service provision efficiency and creating a more flexible workforce, started to deliver results in 2021. The review has not reduced the home's ability to continue to provide high levels and quality of care and facilities available for residents. As a result, the total cost of providing care to the residents was £4.69m in 2021 (2020: £4.77m). The process of creating a sustainable service for the long-term continues.

The total voluntary income amounted to £1.04m (2020: £2.54m). This reflected a reduction in legacy income on 2020 (which had benefitted from a single large legacy). Legacy income in 2021 was £414k (2020: £1.57m) The incredible generosity of individuals in recognising CfV in their Wills has led to a positive future during what has been a very difficult year for everyone.

The transfer of CfV's portfolio into the SUTL Cazenove Charity Multi-Asset Fund has, during 2021 proved successful with strong results over the year.

Fundraising focus continues on increasing CfV's supporter base and, with a committed fundraising staff, CfV hopes to continue with the positive support of 2021 into 2022 and beyond.

A summary of the charity's strategy is set out in the Trustee's report, and details of the Charity's results for the year are set out in the Statement of Financial Activities (page 19).

ACHIEVEMENTS AND PERFORMANCE 2021

OBJECTIVE: Provide the residents with high grade accommodation and excellent clinical care.

OUTCOME: CfV's hospital home has 54 single and 3 double rooms. The rooms are spacious allowing for care to be delivered at the bedside if required. Approximately half the rooms have en-suite facilities and for the others there are shared ablutions which were fully refurbished to provide wet rooms and large toilet cubicles with hoists. There are numerous large communal areas including the wellbeing hub, dining room and day room. New equipment in the kitchen has allowed for more effective cooking and reduced breakdown costs. The charity continues to provide high quality nursing care with a focus on disability nursing. The Home continues to offer on-site physiotherapy, occupational therapy and speech and language therapy.

- 2021 saw the conversion of six double rooms to 12 single rooms (in addition to the one completed at the end of 2020), which leaves the home with three rooms to convert. These will be converted as resident numbers rise.

OBJECTIVE: Continue to improve end-of-life care to maintain platinum status.

OUTCOME: CfV continues to maintain links with many organisations to ensure that the end-of-life care offered is of the highest standard. Platinum status is the highest level awarded by the Gold Standards Framework (GSF) and demonstrates a commitment to excellence in this area. This was reflected in Care for Veterans being a finalist in the GSF's 'Care Home of the Year' for end-of-life care in England in 2019.

- Residents placed on end-of-life care benefited from the Platinum Level Service and the revalidation is now underway for 2022.

OBJECTIVE: Continuing with the environmental strategy to reduce costs and demonstrate environmental responsibility.

OUTCOME: The solar PV panels continue to produce considerable savings in the daylight hours, in addition to their environment impact. Since their installation, the charity has saved over 73 thousand kg of carbon dioxide. The LED lights have improved the ambient light and the 10-year warranty has ensured that costs are always under control with minimal maintenance costs. The two new lifts to Alexandra wing are saving on electricity and have had no costs for maintenance in the financial year. In April 2021, the charity took ownership of an all-electric ambulance and have disposed of an old diesel coach. This has saved costs on fuel, maintenance and servicing. 2022 should see a replacement of old wooden windows in Gifford house which should improve insulation and reduce energy costs further.

- The all-electric ambulance has cost nothing to run since delivery in April 2021.

STRATEGIC REPORT

OBJECTIVE: To continue reducing the operational financial deficit.

OUTCOME: CfV had a net expenditure before investments (i.e. an operational financial deficit) in 2021 of £718,418 compared to a net income before investments (i.e. an operational financial surplus) in 2020 of £979,936. Expenditure continues to be monitored and savings made where possible, and the service review undertaken in 2020 is making a significant contribution to this. The complexity of many of the residents' clinical needs continues to increase putting pressure on carers capacity to undertake single-carer responses. Residents funded by social services and commissioners often attract less funding and, once they become a resident, may attract below inflation fee increases. Virtually all departments have been restructured to provide both flexibility and cost-effectiveness in the workforce with nursing and care the final area undergoing restructure. The review also incorporated finding more effective methods of delivering services to the residents. These changes have resulted in some turnover in staff, which has provided a fresh perspective in the way CfV functions.

OBJECTIVE: Continue existing and develop new methods to manage the pension deficit.

The charity has maintained contributions to the pension scheme.

- At 31 December 2021 the scheme had a surplus of £67,000 compared to a deficit of £286,000 at 31 December 2020. The Liability Driven Investment (LDI) strategy has helped in this transformation from deficit to surplus.

OBJECTIVE: Maintain and improve close working relationships with Clinical Commissioning Groups (CCGs) and local funding bodies and negotiate on inflation level fee increases for long-term residents.

OUTCOME: The clinical team has maintained good links with local commissioners and providers, however due to the impact of Covid 19, 2021 saw the lowest resident numbers for many years. The conversion to the single rooms has benefitted in negotiations with local funders and this saw occupancy levels rise toward the end of 2021.

- CfV benefited from grants from West Sussex County Council during 2020 and these infection control grants continued in 2021, but at a much lower level than at the onset of the pandemic.

OBJECTIVE: Roll out day services in therapy and social and recreational areas.

OUTCOME: This has proved impossible over 2020 and 2021 because of the pandemic. Guidelines for care homes have been stringent, including relative visiting being stopped for long periods to protect the residents (many of whom are classified as highly vulnerable). These plans have been on hold until the pandemic is under control.

- As restrictions are eased further opportunities for day services will be investigated.

OBJECTIVE: Raise the profile of Care for Veterans and increase the fundraising database

OUTCOME: 2021 has again proved a challenging year for fundraising, but there were a few successful events such as two golf days and a sponsored abseil. An easing of Covid restrictions allowed for an outdoor Christmas market in December which proved extremely popular. Digitally, CfV's social media presence has increased by; Facebook 115%, Instagram 13%, Twitter, 3%, LinkedIn 76%. Circulation of CfV's newsletter grew by 15% and the fundraising database increased by 304% in 2021.

STRATEGIC REPORT

RISK AND UNCERTAINTY

Number	Risk	Mitigation
1	Recurrence of COVID-19	<ul style="list-style-type: none"> • Three-level business continuity plan is in place and effective • Well-practised visiting arrangements are in place • Resident rooms are single occupancy • Staff and resident vaccination programme completed
2	A decline in resident numbers because of COVID-19 or future social care uncertainty with focus on care in the community	<ul style="list-style-type: none"> • Double rooms converted into single rooms • Promotion of the rehabilitation element of the home • Engagement with local commissioners highlighting services provided.
3	Poor CQC rating	<ul style="list-style-type: none"> • Policies and procedures regularly reviewed and updated • Supervisions and training monitored to make sure in date • Resident involvement in decision making • Decreased staff turnover • Liaison with other care home managers to ensure best practice
4	Failure or replacement cost of ageing equipment	<ul style="list-style-type: none"> • Rolling replacement programme for infrastructure and equipment • Cost of equipment repairs monitored, and spend-to-save replacements considered • Fundraising targeting appropriate funding sources for support •
5	Fall in investment portfolio value	<ul style="list-style-type: none"> • Portfolio transferred into a charity multi asset fund to provide improve portfolio liquidity and performance. • Cash maintained to avoid drawing down on the investment portfolio for short-term needs • Greater focus on cashflow in managing the finances
6	Decreased fundraising because of the cancellation or postponement of events	<ul style="list-style-type: none"> • Increased number of supporters offering demonstrable support to CfV • Use of technology to increase virtual fundraising and support those performing 'in aid of' the charity • Focus on trusts and foundations to provide unrestricted funds to support the day-to-day costs of running the home

TRUSTEES REPORT

OPERATIONAL OVERVIEW OF 2021

2021 has been yet another challenging year for CfV. During 2021, as the pandemic continued, there were a few false dawns when the virus appeared to be weakening, only for a new variant to be detected and the lockdowns returned. The final variant of 2021, Omicron, proved particularly transmissible and the numbers of those infected rose exponentially. This caused concern on two fronts; firstly, almost all the residents are classified as vulnerable, and secondly, staffing numbers and the ability to provide safe staffing numbers in the workforce was impacted. Despite residents and staff being fully vaccinated (and most residents and over 50% of the staff boosted), CfV experienced its second outbreak in December. The government requirement for care home employees to be vaccinated led to two members of staff leaving in November.

Pressure on care homes across England continued to be at an extremely high level. This pressure is particularly acute when homes have a Covid outbreak (i.e. more than two confirmed cases) when Public Health England imposes stringent regulations preventing new admissions. These restrictions were in place at CfV for most of the first quarter of the year. They also resulted in the prohibiting of room sharing for new residents.

The division of rooms caused some disruption as the builder worked on two or three rooms simultaneously to ensure the workforce could rotate through different work areas.

Over 2021 the supply chain for the procurement of personal protective equipment (PPE) improved, along with a corresponding reduction in the prices seen during the early stages of the pandemic when PPE was prioritised for the NHS. CfV now carries ample supplies to meet its operational requirement and has higher grade "PPE" for any resident who, in the future, is involved in aerosol generating procedures.

Visiting has continued to be challenging but the two visitor pods proved extremely effective in reducing the risk of transmission to the residents. As guidelines have eased, visitor bays have been created in the day room to allow face-to-face visits for up to two family members. These bays have also allowed closer contact (such as hand holding) whilst restricting visitors access to the respective wings. Self-test lateral flow tests have been issued to these visitors so they can test before each visit. Special allowances have been made for residents either classified as end-of-life-care or if the visitor is classified as an essential care giver.

Administrative staff have, when recommended in the guidelines, been able to work from home. The purchase of the virtual desk and an additional server have proved very successful in ensuring staff can deliver their respective outputs. The use of Microsoft Teams has also allowed trustee board meetings to take place, along with the sub-committees of fundraising, finance and clinical governance.

The full-service review of all departments at CfV undertaken in 2020 has now started to deliver results. There have been savings on catering, housekeeping, administration, facilities, reception/security and therapy services. Following an external care review, the internal nursing and care review continues to progress with a particular focus on resident/staff ratios. This has allowed operating costs to reflect resident numbers and, as occupancy fell, staffing levels were reduced, mitigating the financial impact. The new structures have seen some changes, but it has now allowed the workforce to be more flexible. The business continuity plan has been adjusted to reflect this.

The Green Project continues to make savings and the arrival of the new all-electric ambulance in April has resulted in a considerable saving on costs. This vehicle was purchased via a fundraising project which funded both the vehicle and the charging point. It has no road fund licence, minimal servicing costs and of course, no fuel. It also allowed CfV to dispose of a 20-year-old diesel coach which was environmentally poor.

The fire alarm was replaced with new sensors in every room allowing individual mapping. This has eradicated repair costs from the old obsolete system and call out fees for breakdowns whilst also ensuring we have a future-proof system going forward.

TRUSTEES REPORT

REVIEW OF ACTIVITIES 2021

Over the past decade there has been a year-on-year reduction on the amount spent on adult social care and a steady decline in fees from healthcare commissioners and social services. In late 2021 the government published an adult social care reform White Paper with its 10-year vision for the sector. The paper's proposals are designed to be funded by an increase in national insurance. However, for the next three years this money will be diverted to the NHS to deal with the growing waiting list which developed during the pandemic.

CfV received income in the form of an infection control grant, issued in 2020 (dependant on CfV agreeing to complete a daily capacity tracker) to manage the increase cost of following recommended Covid-19 guidelines. However, this financial support was considerably reduced during 2021. In 2020, CfV also received funding from various trusts and foundations, however this source of funding was reduced in 2021. These factors suggest that the pressure on the adult social care sector will continue and will be compounded at CfV by the reduction in other grants available.

CfV continued to provide interdisciplinary working from the multidisciplinary team. On-site physiotherapy, occupational therapy and speech and language therapy has worked symbiotically with the nurses and care staff which has resulted in five residents, admitted for rehabilitation, returning safely home. For the permanent residents, the benefits of these services also ensures that residents maintain the highest possible levels of function. Daily exercise classes in the wellbeing hub have proved very popular.

Student nurse training remains suspended, but physiotherapy student placements from the University of Brighton did continue. 2021 also saw CfV partnering with Southampton University to start accepting its students in 2022. The presence of students on placements ensures staff remain current in their areas and provide residents variety during the long-term rehabilitation.

The solar panels and LED lights continue to deliver savings. The government feed-in tariff has also generated funding during 2021 further benefiting CfV. The lifts, lights and laundry are not only energy saving, but the expenditure on call outs and break downs has reduced by over 90% since the projects were delivered.

Fundraising at Care for Veterans

CfV's in-house Fundraising & Marketing team oversees a host of income streams including legacies, individual giving, corporate fundraising, community fundraising, trusts and foundations, events, digital and lottery, all of which are run in-house. 2021 proved as challenging as 2020 with considerable difficulties in organising and delivering events. There have been some successes with an abseil, two golf days and an outdoor Christmas market but many other events had to be postponed or cancelled. Disappointingly, fundraising from trusts and foundations was lower than in 2020 when Covid-19 grants were more readily available. These factors have resulted in the fundraising team delivering below its target figure. It is hoped that the focus on raising the profile of CfV will translate into income in 2022.

At present, direct approaches are only made to those with legitimate interest or with prior consent. A supporter's details are removed from the database if they so request and CfV does not share or swap data with third parties. Any data retained is held and maintained within the guidelines of GDPR. All CfV's fundraisers are aware of the Data Protection Act, are trained in GDPR legislation and are required to refresh that training annually. CfV is conscious of pressures which vulnerable people might experience and its trained staff will never knowingly approach anyone who is vulnerable.

Care for Veterans is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We are also registered with the Fundraising Preference Service (FPS) and in 2021 had zero complaints via the FPS.

CfV does not currently employ external professional fundraising individuals, companies, or organisations. The Fundraising & Marketing team manages its own fundraising events and initiatives to maintain control over how people are approached, how they are asked to support and how they are thanked. CfV manages its own raffles and lottery in accordance with the terms set out by the local authority with whom it is registered.

TRUSTEES REPORT

REVIEW OF ACTIVITIES 2021

CfV does not cold-call potential supporters, but use a wide variety of techniques, traditional and digital, to raise the profile of the charity and attract supporters. Once an organisation or individual registers as a supporter they are regularly updated as to how their donations have been used to benefit the veterans. CfV has made it as easy for supporters to unsubscribe as a supporter as it is to join to protect any vulnerable individuals.

Volunteers

There has been continued support from volunteers in the charity. The pandemic has limited the roles that volunteers can undertake, but during the lockdown the gardeners have continued to work outside and maintain the site. Additionally, volunteers have supported fundraising events and assisting at the Christmas market. The trustees remain grateful for their continued support.

Reserves.

The Trustees consider that a total unrestricted reserves fund of 9-12 month's expenditure is reasonable to enable the charity to cope with unforeseen expenditure or a loss of income. The level of reserves is currently equal to 9-10 months expenditure and is regularly reviewed. The current levels of available reserves are held in line with the CfV investment and liquidity policy.

Unrestricted Fund

The total unrestricted reserves fund of £4.5m (2020: £4.3m) represents the unrestricted reserve fund, adjusted for the pension reserve fund. The pension value at 31 December 2021 showed a surplus of £67,000 compared to a deficit of £286,000 in 2020. This reduction in the pension scheme deficit came as a result of strong investment returns, the continued contributions from CfV and a reduction in the value placed on the liability for accounting purposes (mainly due to an increase in the discount rate).

Restricted Fund

The restricted and endowment reserves are materially represented by the charity's investment in fixed assets. At the end of the year, the restricted reserves excluding the endowments stood at £4.08m (2020: £4.51m) of which £3.64m (2020: £4.06m) represents CfV's investment in capital items, principally buildings. Capital expenditure and other restricted funds of £0.44m (2020: £0.45m) and the permanent endowment of £0.16m (2020: £0.16m) account for the remainder.

TRUSTEES REPORT

REVIEW OF ACTIVITIES 2021

Investments

CfV investments are held as a reserve against any shortfall in income to ensure it can continue to deliver its charitable objectives.

Following the successful transfer of the existing managed portfolio into the SUTL Cazenove Charity Multi-Asset Fund (CMAF) in 2020, 2021 saw positive returns from the fund.

The SUTL Cazenove Charity Multi-Asset Fund (CMAF) aims to provide combined income capital growth in excess of the Consumer Price Index +4% per annum (net of fees) over rolling ten-year periods by investing in equity related securities, fixed and floating rate securities and alternative assets worldwide.

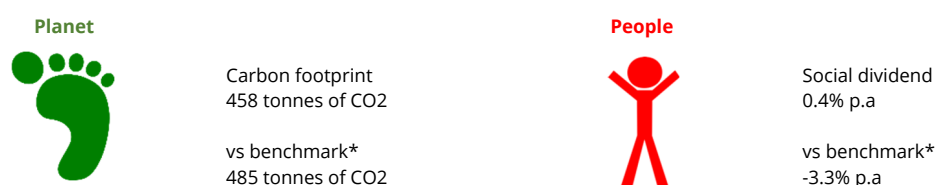
At 31 December 2021 the Charity's investments were valued at £4.49m (2020: £4.09m), as set out in Note 9. This amount includes £0.29m (2020: £0.64m) held in short term deposits. CMAF remains liquid should cash be required.

The CMAF produced a total return of 9.9% over the last 12 months. The board of Trustees were content with the performance of the investments over the period.

Investment Policy

The current investment policy reflects that of the investment into the CMAF plus leaving sufficient liquidity outside of the CMAF to provide for the day-to-day running costs.

Portfolio Impact Measurement of the CMAF



To provide further insight into the portfolio, Schroders includes an overall assessment of the impact of the equity investments on people and the planet, and a comparison against an appropriate benchmark. They provide two metrics:

Planet

Carbon emissions: an aggregate of the annual scope 1 and 2 carbon emissions (in tonnes) that can be attributed to CMAF's holdings of the companies in which it is invested. For comparison, an average passenger vehicle emits 5 tonnes of CO₂ each year, an average home emits 9 tonnes of CO₂ each year and a flight from London to New York is equivalent to 1 tonne of CO₂ emissions.

People

Social dividend: the overall social contribution of the companies in which CMAF is invested, expressed as a percentage of sales. For example, a score of +2% means that the portfolio adds \$2 of benefits to society for every \$100 of sales. The social contribution of business that Schroders value as part of this score includes aspects such as fair work, tax, medicine provision, financial inclusion, and access to water.

Source: Schroders SustainEx. Equivalency data sources: EPA, UK Government. Flight emissions are based on a single passenger flying economy class. Schroders is reliant on external providers for the underlying data for these metrics. Whilst Schroders makes every effort to ensure the accuracy of this data, it cannot be guaranteed. There may be some holdings where no underlying data is available, therefore Schroders will only present these metrics to CfV when Schroders have access to them for 80% or greater of the total value of your equity portfolio.

* Impact benchmark: 20FTSEAllShare – 80MSCIACWorld ex UK.

Trading Subsidiary

During the year the trading subsidiary, Care for Veterans Services Limited (formally QAHH Services Limited) continued to trade for income outside the charitable status. The results are detailed in note 19.

TRUSTEES REPORT

REVIEW OF ACTIVITIES 2021

Pensions

The accounts as presented include the full adoption of Financial Reporting Standard 102 (‘FRS102’). A qualified independent actuary has prepared a valuation of the scheme for these accounts in accordance with FRS102. This valuation indicated that a surplus of £67,000 existed at 31 December 2021 (2020: £286,000 deficit). This amount has been recognised as a surplus in these accounts.

On 30 April 2005, the existing defined benefit pension scheme was closed to future accrual. A replacement stakeholder scheme came into force on 1 May 2005 and this scheme was discontinued on 30 April 2014. Since 1 May 2014, CfV has provided a workplace defined-contribution pension scheme to comply with the new pension auto-enrolment rules. This scheme is provided by the Peoples Pension.

Further information regarding the pension funds is set out in notes 5 and 6 to the financial statements.

Fees Policy

Setting resident’s fees remains a challenge. CfV seeks to achieve a balance between affordability, a level which is consistent with the highest levels of care and suitable accommodation and the Trustees’ desire not to exclude any beneficiary on the grounds of financial hardship. CfV welcomes residents whose care is funded from a variety of sources such as self-funded, commissioners, continuing health care, social services and service charities.

Remuneration for Senior Staff

The Remuneration Committee oversees and approves the salaries of the senior management and of other key personnel who have control of the day-to-day management of the charity. Salaries are reviewed annually and benchmarked against similar organisations and, in the case of clinical staff, the Nursing and Midwifery Council’s ‘Agenda for Change’ is used as the benchmark.

PLANS FOR FUTURE PERIODS

Future Plans

The Trustees support the Senior Management Team in planning for CfV to develop its services and activities to keep up with the changing care requirements of residents and veterans in the wider community.

The major initiatives for 2022 will include:

- Implementing the new Nursing and Care structure
- Increasing occupancy
- Investigating the potential for converting one wing to a dementia wing
- Replacing all the windows in Gifford House
- Continuing the boiler replacement programme

Future Prospects

The Board of Trustees acknowledges that there has been a shift in emphasis in the approach of healthcare commissioners. The focus on discharge from hospital has altered to support patients returning to their family homes and having access to the community team for support. The effects of these changes are twofold, firstly, there are fewer patients funded to become residents in nursing homes, and secondly, those who do become residents are likely to have more challenging care needs and be incapable of staying in their own homes.

This new healthcare strategy identifies that for some patients returning home, whether alone or with family, is impractical. This is particularly true among those suffering from dementia. The NHS reports that approximately 675,000 people have dementia in England, approximately one in every fourteen people aged over 65. Until now, CfV has not accepted those with dementia and relocated those who develop it whilst in the care of the home. In 2022 CfV will investigate the potential for the conversion of one wing to cater for this increasing number of sufferers.

Despite this increasing complexity, the Trustees have agreed that the policy of CfV maintaining the highest level of affordable nursing and rehabilitation services will remain in place for the foreseeable future. The continuing operational deficit will be met by fundraising, with CfV receiving notification in April 2022 of a £525k legacy to be received within the year to 31 December 2022. In addition to contract and staffing reviews and the anticipated savings from the environmental projects.

As the conflict in Ukraine continues, the global economic burden is becoming clearer, with higher energy and food prices creating cost of living crisis in many countries around the world. Despite the difficulties this will cause consumers and businesses, equity markets rebounded, though they are still slightly below recent peaks. There has been greater volatility in bond markets, with yields moving higher as central banks signal their commitment to raising interest rates to tame inflation. Recent developments have raised the risk of stagflation – a period of high inflation and low or negative growth. Adjustments have been made within our portfolio equity allocation moving from Europe ex-UK growth fund, given that European economies are likely to face the greatest pressure from high energy prices. Our investment managers are looking to increase the “quality” bias within portfolios.

TRUSTEES REPORT

2022 OBJECTIVES

The main objectives for 2022 are:

- Manage and where possible reduce the operational financial deficit
- Provide the residents with high grade accommodation in a single room
- Implement the nursing and care restructure
- Foster a closer working relationship with local authority funding bodies
- Investigate the potential for a dementia wing at CfV
- Deliver savings on utilities whilst demonstrating an environmental responsibility

How the objectives for 2022 will affect the charity:

- Managing the deficit will ensure longevity of the home, whilst the need for residential nursing continues
- Single rooms should be easier to occupy, thereby increasing resident numbers
- Potential new client group if the home receives dementia cases
- Adjust staffing levels to meet the current need, until occupancy increases
- Promote the end-of-life care and develop relationships with local hospices

IMPLICATIONS OF COVID-19

The global COVID-19 pandemic has continued to cause disruption across all aspects of everyday life. The challenges that were experienced in care homes in 2020 have changed, but there is less urgency about the response. CfV has three levels of Covid Business Continuity Plan that can respond to the guidelines issued by Public Health England via West Sussex County Council. This allows a smooth transition through any stage of lockdown when the levels can be quickly amended to meet the guidelines. Staff are also more familiar with the guidelines which aids that transition.

There are weekly meetings of the Senior Management Team, with an option to call an impromptu meeting if required. These interpret the effect of changes on CfV, and the information was cascaded to staff via email or a cascade system through departmental managers. The Registered Manager kept the residents informed and when the situation allows small resident meetings to have restarted. The CEO provides regular updates to families covering all areas, but with a focus on visiting. CfV has created three visitor bays in the day room which has the space to allow social distancing and is also well ventilated. In stricter levels of lockdown, the pods are used to allow the residents the benefits of visits by loved ones. Finally, iPads are available on every wing to allow for virtual visiting.

When not in strict lockdown, CfV remained open to new admissions, with new residents quarantined until they had received a negative PCR test. Residents are tested regularly using lateral flow tests and all receive a PCR test at least once a month. Staff are required to undertake two lateral flow tests and one PCR test a week. In times of lockdown staff all test daily.

All residents were fully vaccinated in the early part of 2021. One wing was slightly behind the others as it had suffered an outbreak, but within a few weeks its residents were vaccinated. Staff were also vaccinated either on-site or at the local hospital. The booster programme initiated in the autumn also had a good take up, with all but a couple of residents receiving their booster dose. The law changed in November, requiring all staff to be vaccinated to work in a care home. This was implemented at CfV and resulted in two staff choosing to leave their respective roles, rather than participate in the vaccination programme.

The issues experienced in 2020 with PPE settled over 2021 with readily available supplies at close to pre-pandemic prices. CfV now has a readily available supply of daily PPE, with a stock of specialist gowns and masks for any resident involving aerosol generating procedures should the need arise.

Historically, resident fees provide the largest proportion of CfV's income. However, low occupancy rates and the disruption caused as double rooms were converted saw a reduction in that income stream. This was balanced to some degree by a reduction in staffing levels and the consequential savings in salaries. Fees increased by 2% in January which helped income, as did the grants issued by West Sussex County Council (although these were significantly lower than in 2020).

The second largest proportion of income is from fundraising. Despite the pandemic, the fundraising team had managed to meet its 2020 target. However, in the same way the grants from West Sussex County Council reduced in 2021, so did the awards from trusts and foundations. This, allied to the reduction from community fundraising and events, resulted in fundraising falling approximately 25% short of the 2021 target. It is hoped the increase in the profile in CfV will reap the benefits in 2022.

TRUSTEES REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Care for Veterans, formerly the Queen Alexandra Hospital Home (QAHH) was founded in 1919 and incorporated as a Company Limited by Guarantee in 1998 (registered number 3646570) and registered as a charity (registered number 1072334) thereafter subject to Charity, Trust and Company Law and governed by a Memorandum and Articles of Association. Its registered address is Gifford House, Boundary Road, Worthing, West Sussex, BN11 4LJ (Tel: 01903-213458)

The Charity has one subsidiary company Care for Veterans Services Limited (company number 5802953) incorporated 2 May 2006. The company is limited with the single shareholder being Care for Veterans.

Appointment of Trustees

The Chairman of the Board oversees the appointment of new trustees. The Chairman will nominate an individual when a vacancy exists and, subject to the approval of the Board, they will be co-opted onto the board and appointed at the next AGM. Following appointment to the Board a new trustee will;

- undergo a number of briefing sessions with the senior management team and the Chairman.
- undertake a number of visits to CfV to understand the workings of the organisation and to meet staff members and residents.
- be invited to undertake one of the quarterly visiting Trustee visits to the home on behalf of the Chairman.
- be invited to join the Board, for a period of four years and then may be re-elected for one further period of four years. They are not normally eligible for a further re-appointment.

An Induction programme is in place for new Trustees. All new trustees are required to undergo Disclosure and Barring Service Checks.

Organisation

- Every quarter, two appointed trustees will undertake trustees' rounds and make inspections of all departments, to the extent permitted under any Covid-19 related lockdown restrictions in place.
- The Board manages the business and affairs of CfV and reviews the performance of CfV at quarterly Board meetings.
- Extraordinary meetings can be called at the request of three or more trustees.
- There are four subcommittees – the Finance Committee, the Fundraising and Marketing Committee, the Clinical Governance Committee and the Remuneration Committee.
- The board has established levels of authority to ensure proper accountability and transparency.

The Board appoints the Chief Executive, who reports to the Chairman and is accountable to the Board. The Chief Executive attends meetings of the Board and the subcommittees. The current Chief Executive is Mr Andy Neaves MSc BSc (Hons). He is also the 'Nominated Individual' under the requirements of CfV's registration body, the Care Quality Commission (CQC), and is the point of contact in all matters emanating from it. The day-to-day running of the home is the responsibility of the Registered Manager.

The Trustees, who for the purposes of company law are the Directors of the Company, oversee the operations of CfV. The Trustees and senior executives of the charity are listed on page 15. The principal place of business and professional advisers of the charity are given on page 15.

The Chief Executive is responsible to the Board of Trustees for carrying out the agreed policies and objectives of CfV. He deals with all strategic matters relating to finance and fundraising; all matters concerning Health and Safety; and is responsible for the smooth running and financial health of CfV.

Under the Chief Executive, the Departmental Managers are – the Registered Manager; Senior Nurse Manager; the Head of Finance; the Head of Fundraising and Marketing and the Head of Human Resources.

TRUSTEES REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related Parties

The Charity's wholly owned subsidiary Care for Veterans Services Limited (formally QAHH Services Limited) was formed during 2006 to provide nursing and care services for a small number of residents who fall outside the objects of the Charity. The Charity recharges the cost of care, and the company gift aids any profits to the Charity.

Officers and Management

The names of the Trustees who have served during the year and the executives are set out below along with the Sub-Committees of Care for Veterans.

Trustee	Role	Sub-committees	
Cdre James Fanshawe CBE	Chairman	1,3	
Mr David Williams	Deputy Chair, Chair Finance	1,3	
Col John Saville FIMechE		2,4	
Mr Michael Jones		2	
Mr John McKee	Chair Fundraising and Marketing	2	
Dr Timothy Fooks	Chair Clinical Governance	4	
Ms Georgina Crowhurst		1	
Mr Richard Andrew		1	
Mrs Dawn Hart		4	Appointed May 2021 AGM
Mrs Anna Harrison		4	Appointed May 2021 AGM
Mrs Ruth Taylor		4	Resigned May 2021 AGM
Cdr David Habershon RN		2	Resigned May 2021 AGM

Sub-committees

1. Finance Committee
2. Fundraising and Marketing Committee
3. Remuneration Committee
4. Clinical Governance Committee

Executives

AD Neaves, MSc BSc (Hons) Chief Executive

Legal and administrative information

Auditors and Financial Advisors

Carpenter Box
Amelia House
Crescent Road
Worthing
West Sussex BN11 1QR

Bankers

Barclays Bank Plc
1 Chapel Road
Worthing
West Sussex BN11 1EX

Investment Managers

Schroder & Co Limited
Schroders Charities
1 London Wall Place
London EC2Y 5AU

Pension Trustees

Independent Trustee Services Limited
4th floor Cannon Place
78 Cannon Street
London EC4N 6HL

Principle office of Charity and Registered Office

Gifford House
Boundary Road
Worthing
West Sussex BN11 4LJ

Solicitors

GWCA
13/14 Liverpool Terrace
Worthing
West Sussex BN11 1TQ

Pension Administrators

Cartwright
Mill Pool House
Mill Lane
Godalming
Surrey GU7 1EY

Company Number

03646570

Registered Charity Number

1072334

Country of incorporation

England and Wales

TRUSTEES REPORT

Statement of Trustees' Responsibilities for the Financial Statements

The Trustees (who are also directors of Care for Veterans for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and the application of resources, including net income or expenditure of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting procedures and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charitable company will not continue in business.

The Trustees are responsible for the keeping of proper accounting records that 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 the safeguarding of the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In so far as the Trustees are aware:

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

The Trustees confirm that they have complied with the duty in Section four of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Trustee Indemnity Insurance

The charity has third party indemnity insurance cover for its Trustees, as disclosed in note five to the financial statements.

Auditors


A resolution to reappoint Carpenter Box for the coming year will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

In Gratitude

The Trustees wish to convey their sincere thanks to all the volunteers who gave so generously their time and support to Care for Veterans during 2021. With their continued support, we look forward to enhancing the delivery of CfV's charitable services.

This report was approved by the Trustees

on 18th May 2022 and signed on their behalf by:



J Fanshawe CBE

Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR VETERANS

Opinion

We have audited the financial statements of Care for Veterans (the 'charitable company') and its subsidiary (the group) for the year ended 31 December 2021 which comprise the consolidated statement of financial activities and income and expenditure account, the consolidated and charity balance sheets, the consolidated cashflow statement and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 company 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.

Conclusion relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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

We have nothing to report in this regard.

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 directors' report and strategic report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report and strategic 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITORS' REPORT (continued)

TO THE MEMBERS OF CARE FOR VETERANS

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the group and charitable company operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the group and charitable company's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud;
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the charitable company and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the charitable company and group for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: employment law; and, compliance with the UK Companies Act and UK Charities Act.

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management;
- Reading correspondence with regulators;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to depreciation; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Robin Evans BA FCA CTA (Senior Statutory Auditor)
for and on behalf of Carpenter Box
Chartered Accountants
Statutory Auditor
Worthing

Carpenter Box is a trading name of Carpenter Box Limited

Consolidated Statement of Financial Activities and Income and Expenditure Account

For the year ended 31 December 2021

	Note	Unrestricted Funds £	Endowment & Restricted £	2021 Total £	Unrestricted Funds £	Endowment & Restricted £	2020 Total £
INCOME AND ENDOWMENTS FROM							
Donations and legacies	2	609,346	435,628	1,044,974	1,986,030	551,120	2,537,150
Other trading activities	2	468,642	-	468,642	569,332	-	569,332
Investments	2	153,590	-	153,590	122,118	-	122,118
		1,231,578	435,628	1,667,206	2,677,480	551,120	3,228,600
Charitable activities	3a	2,507,156	-	2,507,156	2,649,480	-	2,649,480
Other income	3b	3,099	86,482	89,581	46,292	91,225	137,517
TOTAL INCOME		3,741,833	522,110	4,263,943	5,373,252	642,345	6,015,597
EXPENDITURE ON							
Raising funds	4	284,299	1,000	285,299	263,296	-	263,296
Charitable activities	4	3,724,356	972,706	4,697,062	3,801,101	971,264	4,772,365
TOTAL EXPENDITURE		4,008,655	973,706	4,982,361	4,064,397	971,264	5,035,661
Net income/(expenditure) before investments		(266,822)	(451,596)	(718,418)	1,308,855	(328,919)	979,936
NET GAINS/(LOSSES) ON INVESTMENTS	9	248,785	8,566	257,351	101,719	3,165	104,884
NET INCOME/ (EXPENDITURE)		(18,037)	(443,030)	(461,067)	1,410,574	(325,754)	1,084,820
Transfers between funds							
Actuarial gains/(losses) on defined benefit pension scheme	6	(20,684)	20,684	-	(124,206)	124,206	-
Net movement in funds		193,279	(422,346)	(229,067)	1,423,368	(201,548)	1,221,820
Funds balance brought forward		4,323,677	4,667,967	8,991,644	2,900,309	4,869,515	7,769,824
FUNDS BALANCE CARRIED FORWARD		4,516,956	4,245,621	8,762,577	4,323,677	4,667,967	8,991,644

The accompanying accounting policies and notes form an integral part of these financial statement
All of the operations represented by the information above are continuing.

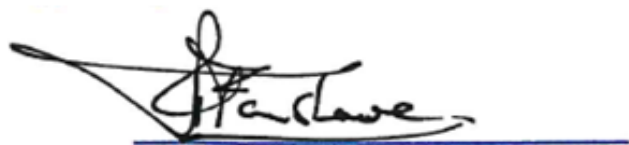
Consolidated and Charity Balance Sheets

As at 31 December 2021

	Note	Group		Charity	
		2021 Total £	2020 Total £	2021 Total £	2020 Total £
Fixed assets					
Tangible assets	8	3,665,916	4,078,770	3,829,186	4,242,040
Investments	9	4,498,035	4,092,263	4,498,036	4,092,264
TOTAL FIXED ASSETS		8,163,951	8,171,033	8,327,222	8,334,304
Current assets					
Stocks	10	11,458	12,775	11,458	12,775
Debtors	11	343,549	662,337	349,788	671,765
Cash at bank and in hand		468,235	748,256	459,147	736,188
		823,242	1,423,368	820,393	1,420,728
Creditors - amounts falling due within one year	12a	(286,564)	(299,580)	(283,715)	(296,940)
NET CURRENT ASSETS		536,678	1,123,788	536,678	1,123,788
Creditors - amounts falling after more than one year	12b	(5,052)	(17,177)	(5,052)	(17,177)
Net assets before pension scheme liability		8,695,578	9,277,644	8,858,848	9,440,915
Defined benefit pension scheme asset/(liability)		67,000	(286,000)	67,000	(286,000)
NET ASSETS AFTER PENSION LIABILITY		8,762,578	8,991,644	8,925,848	9,154,915
Capital funds					
Endowment fund	14	164,064	160,071	164,064	160,071
Revenue funds					
Restricted	14	4,081,557	4,507,896	4,244,827	4,671,166
Unrestricted:					
Pension reserve fund	6	67,000	(286,000)	67,000	(286,000)
General fund	13	4,449,956	4,609,677	4,449,957	4,609,678
(including revaluation reserve £350,113 [2020: £92,761] for Group and Charity)					
Total unrestricted		4,516,956	4,323,677	4,516,957	4,323,678
TOTAL CHARITY FUNDS		8,762,577	8,991,644	8,925,848	9,154,915

Approved by the Board of Trustees on

and signed on its behalf by




The accompanying accounting policies and notes form an integral part of these financial statements.

Company No. 03646570

Consolidated Cashflow Statement

For the year ended 31 December 2021

	Note	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net cash provided by/(used in) operating activities	a	176,076	343,924	179,056	358,294
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income and interest receivable		153,590	122,118	153,590	122,118
Purchase of tangible fixed assets		(97,705)	(222,236)	(97,705)	(222,236)
Purchase of investments		(499,857)	(1,668,187)	(499,857)	(1,668,187)
Sale of investments		-	1,805,396	-	1,805,396
Net cash provided by/(used in) investing activities		(443,972)	37,091	(443,972)	37,091
Cashflows from financing activities					
Payment of finance lease obligations		(12,125)	(12,125)	(12,125)	(12,125)
Cash and cash equivalents in the reporting period		(280,021)	368,890	(277,041)	383,260
Cash and cash equivalents at the beginning of the reporting period		748,256	379,366	736,188	352,928
Cash and cash equivalents at the end of the reporting period		468,235	748,256	459,147	736,188

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
a. Reconciliation of net movement in funds to net cash flow from operating activities				
Net (outgoing)/incoming resources before gains and losses or investment assets	(718,418)	979,936	(718,418)	979,936
Investment income and interest receivable	(153,590)	(122,118)	(153,590)	(122,118)
Depreciation and loss on disposal	510,559	536,986	510,559	536,986
Decrease/(increase) in cash on deposit	351,436	(590,213)	351,436	(590,213)
(Increase)/decrease in stock	1,317	(1,675)	1,317	(1,675)
(Increase)/decrease in debtors	318,788	(279,573)	321,977	(265,083)
Increase/(decrease) in creditors	(134,016)	(179,419)	(134,225)	(179,539)
Net cash provided by/(used in) operating activities	176,076	343,924	179,056	358,294

See note 23 for net fund analysis note.

The principle accounting policies, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1. Accounting policies

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019, the Charities Act 2011, the Companies Act 2006.

The financial statements are prepared in sterling, which is the financial currency of the group. Monetary amounts are rounded to the nearest £1.

1.2 Basis of consolidation

The group financial statements consolidate those of the charity and of its subsidiary undertakings (note 19) drawn up to 31 December 2021 in full. Surpluses or deficits on intra group transactions have been eliminated. Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

1.3 Incoming resources

Residents' contributions and capitation grants from the Veterans Agency are recognised in the Statement of Financial Activities on a receivable basis.

Donations and grants are recognised in the Statement of Financial Activities on a receivable basis and are shown gross.

For estates in which probate has been granted the value of a quantifiable legacy, although not received in the financial year under review, is recognised in the Statement of Financial Activities with the corresponding amount being included as a debtor in the Balance Sheet.

Investment income comprises dividends declared during the accounting period and interest receivable on listed and unlisted investments.

1.4 Resources expended

Resources expended are all associated with the sole activity of the provision of residential care. The charitable company's objective is the provision of residential care and this is achieved principally through its staff.

A high standard of buildings, equipment and other facilities are essential to the well-being of residents.

These elements underlie the categorisation of expenditure as follows:

Charitable expenditure comprises resources with the specific purpose of fulfilling the objects of the charity, predominantly the costs of care staff, and also expenditure incurred in support of the charity's primary purpose.

Governance costs under FRS 102 have been included in expenditure on 'charitable activities'.

Costs of generating funds include the costs associated with running the fundraising appeals including the development of the donor database, and fundraising events. Where applicable, costs have been apportioned on the basis of time or area, as appropriate to the relevant cost.

1.5 Fund accounting

The charitable company's assets represent; the Capital Fund (resources invested in the buildings, equipment and vehicles), the Revenue Funds (resources held to produce income and to act as a reserve against temporary deficits), Special Funds (restricted or designated funds established to meet capital needs or specific projects) and Endowment Funds (resources invested in Gifford House 'the property' and a fund held in investments with income at the charity's discretion). The Capital Fund is shown as a restricted fund, but part of this fund includes amounts 'designated' by the trustees. From time to time transfers between the Capital fund and the Revenue (unrestricted) fund occur in order to account for the results of projects which the trustees had designated funds to complete.

1.6 Fixed assets and depreciation

Capitalisation levels:

Individual fixed assets costing £2,500 or more are capitalised at cost.

IT equipment £400 or more

Tangible fixed assets are stated at cost net of depreciation. No depreciation is charged on fixed asset additions in the course of construction.

Depreciation is calculated to write down the cost of all tangible fixed assets except for freehold land by equal annual instalments over their expected useful lives, leading to an annual depreciation charge against the Capital fund.

The periods generally applicable are:

Property - 25 years

Plant, equipment and vehicles - 5 to 15 years

Computer equipment - 3 years

1.7 Investments

Investments appear at market value as fixed assets in the balance sheet as they are held on a long-term basis to provide an essential income to offset part of the operating costs of the charity. Both realised and unrealised gains and losses are credited or charged to the Revenue fund.

1.8 Retirement benefits

Defined benefit pension scheme

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high-quality corporate bond rates.

The net surplus or deficit is presented separately from other net assets on the balance sheet.

A net surplus is recognised only to the extent that it is recoverable by the charity.

The current service cost and costs from settlements and curtailments are included in operating costs and are allocated to the same expenditure headings as the related staff costs.

Past service costs are spread over the period until the benefit increases. Interest on the scheme liabilities and the expected return on the scheme assets are included under the appropriate expenditure headings as other finance costs.

1.8 Retirement benefits (cont)**Defined benefit pension scheme**

Actuarial gains and losses are reported in the Statement of Financial Activities with other gains and losses on investments.

The pension costs charged against operating profits are the employers' contribution payable to the Stakeholder pension scheme and **Work Place pension scheme** in respect of the accounting period.

1. Accounting policies (continued)**1.9 Stock**

Stocks are stated at lower of cost or estimated selling price less cost to complete and sell.

1.10 Taxation

No provision for taxation, deferred or otherwise, has been made in these financial statements as the Hospital Home is a charity in accordance with the Charities Act 2011 and is exempt from taxation except Value Added Tax, provided that income and gains are applied for charitable purposes under S.505 of the Income and Corporation taxes Act 1998 and S.145 of the Capital Gains Tax Act 1979.

1.11 Cash and liquid resources

For the purpose of the cash flow statement, cash comprises cash in hand and deposits repayable in demand, less overdrafts payable on demand. Liquid resources comprise term deposits of less than one year (other than cash) and are included in fixed asset investments as they are integral to the portfolio managed by investment managers.

1.12 Volunteers

The charity benefits from the involvement and support of its volunteers. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

1.13 Debtors

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

1.14 Cash at bank and in hand

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

1.15 Creditors and provisions

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

1.16 Financial instruments

The charity only has financial assets and financial instruments of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.17 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the charity and group operations, as detailed on page 13, within the Trustees' Report.

A COVID-19 Business Continuity Plan was produced, along with a risk assessment, to guide the home through the pandemic successfully. The increased cost of PPE was countered by the issuing of grants from West Sussex County Council, from a Central Government grant, to cover the increases in PPE, cleaning materials and the other required changes to ensure compliance with Public Health England's guidelines 'How to work Safely in Care Homes'. In response to the COVID-19 pandemic, the trustees have performed a robust analysis of forecast future cash flows considering the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

1.18 Leases

Rentals payable under operating leases are charged on a straight line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2. Analysis of income from generated funds

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Voluntary income:						
Donations	195,379	435,628	631,007	412,687	551,120	963,807
Legacies	413,967	-	413,967	1,573,343	-	1,573,343
	609,346	435,628	1,044,974	1,986,030	551,120	2,537,150
Activities for generating funds:						
Fundraising events	78,969	-	78,969	74,149	-	74,149
Nursing and care (non-primary purpose)	367,382	-	367,382	491,847	-	491,847
Other income	22,291	-	22,291	3,336	-	3,336
	468,642	-	468,642	569,332	-	569,332
Investment income:	153,590	-	153,590	122,118	-	122,118

3a. Analysis of income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Fee Income						
Contributions from residents	2,439,835	-	2,439,835	2,585,481	-	2,585,481
Veterans Agency capitation grant	67,321	-	67,321	63,999	-	63,999
	2,507,156	-	2,507,156	2,649,480	-	2,649,480

3b. Other income

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Other income						
Grants received	-	86,482	86,482	-	91,225	91,225
Coronavirus Job Retention Scheme	3,099	-	3,099	46,292	-	46,292
	3,099	86,482	89,581	46,292	91,225	137,517
TOTAL INCOME	3,741,833	522,110	4,263,943	5,373,252	642,345	6,015,597

4. Analysis of Resources Expended

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Resources expended						
Cost of generating voluntary income	226,254	-	226,254	219,805	-	219,805
Cost of activities for generating funds	52,620	1,000	53,620	39,707	-	39,707
Investment management fees	5,425	-	5,425	3,784	-	3,784
Total cost of generating funds	284,299	1,000	285,299	263,296	-	263,296

Costs of generating voluntary income include the costs associated with running the fund-raising appeals including the development of the donor database. Where applicable, administration and other costs have been apportioned on the basis of time or area as appropriate to the relevant cost and on a basis consistent with the use of resources by the fundraising department.

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Cost of charitable activities						
Payroll costs	2,846,426	373,130	3,219,556	3,012,650	378,215	3,390,865
Non-payroll costs	877,931	599,575	1,477,506	788,451	593,049	1,381,500
Total cost of charitable activities	3,724,356	972,706	4,697,062	3,801,101	971,264	4,772,365
TOTAL EXPENDITURE	4,008,655	973,706	4,982,361	4,064,397	971,264	5,035,661

Analysis of total resources expended

	Staff costs £	Depreciation £	Other £	2021 Total £	2020 Total £
Provision of residential care					
Provision of services and support costs	3,219,556	499,586	977,920	4,697,062	4,772,365
Other expenditure					
Fundraising, publicity and other	216,896	-	68,403	285,299	263,296
Total resources expended	3,436,452	499,586	1,046,323	4,982,361	5,035,661

Analysis of total resources expended for 2020 include provision of residential care staff costs amounting to £3,390,865, depreciation of £532,698 and other costs of £848,802. Other expenditure included staff costs of £195,311 and other costs of £67,985.

5. Trustees and employees

Staff costs during the year were as follows:

Wages and salaries

Social security costs

Pension costs:

Defined benefit scheme *

Defined contribution scheme

Work place pension scheme

2021 Total £	2020 Total £
3,084,838	3,231,573
255,731	256,191
-	-
-	-
95,883	98,412
3,436,452	3,586,176

* See cost detail at note 6.

Staff costs above include agency staff.

The total average monthly number of employees during the reporting period (full and part-time staff) was:

Nursing and clinical staff

Care assistants

Kitchen

Domestic

Facilities and maintenance

Neuropsychologist

Occupational Therapy

Physiotherapy

Speech Therapy

Social and Recreation

Support

Fundraisers

Chaplain

Administration

2021 Total	2020 Total
20	23
55	58
8	8
13	14
3	3
0	1
2	2
3	5
1	1
2	2
4	3
6	7
1	1
5	5
123	133

Reimbursements totalling £147.60 were made to Trustees of Care for Veterans for the year ended 31 December 2021 (2020: None). During the year there were no donations from Trustees made to CFV (2020: None).

The premium for the trustees' indemnity insurance is now included within the combined liability insurance as in 2020.

Details of employees who received more than £60,000 in the year are as follows:

£60,001 - £70,000

£70,001 - £80,000

£80,001 - £90,000

2021 Total	2020 Total
1	1
-	1
1	-

During the year pension contributions of £4,019 (2020: £3,960) were paid on behalf of these employees as members of the Work Place scheme operated by the charity. These figures are also included in the key figures below.

During the year a total of 8 staff were recognised as key management personnel the total paid to these individuals amounted to £406,184 (2020: £431,153). Included within this amount was £13,541 (2020: £14,831) for contributions to the Work Place Pension scheme operated by the charity.

6. Retirement Benefits

The charitable company operates a defined benefits plan, The Federated Pension Scheme for the Queen Alexandra Hospital Home.

The assets and liabilities of the plan have been calculated for the purposes of FRS102 based on the results of the actuarial valuation as at 31 March 2019, adjusted for the different assumptions required under FRS102 and taking into consideration changes in the membership since that date.

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) were as follows:

	2021	2020
	%	%
Discount rate	1.90	1.30
Retail Prices Inflation ("RPI")	3.40	3.00
Consumer Prices Inflation ("CPI")	2.90	2.00
Pension increases: RPI, max 5%, min 0%	3.30	2.90

The underlying mortality assumption is based upon the standard table known as S3PxA on a year of birth usage with CMI_2020 future improvement factors and a long-term rate of future improvement of 1.25% p.a. (2020: S3PxA, CMI_2019, 1.25% p.a).

This results in the following life expectancies:

- Male age 65 now has a life expectancy of 86.9 years (2020: 86.8 years)
- Female age 65 now has a life expectancy of 89.3 years (2020: 89.2 years)
- Male age 45 now, retiring at 65, has a life expectancy from 65 of 88.2 years (2020: 88.2 years)
- Female age 45 now, retiring at 65, has a life expectancy from 65 of 90.7 years (2020: 90.6 years)

Employee Benefit obligations

The amounts recognised in the balance sheet as at 31 December 2021 (with comparative figures as at 31 December 2020) are as follows:

	2021	2020
	£	£
Market value of plan assets	5,162,000	4,870,000
Present value of plan liabilities	(5,095,000)	(5,156,000)
Net defined benefit asset/(liability)	67,000	(286,000)

The amounts to be recognised in the consolidated statement of financial activities for the year ending 31 December 2021 (with comparative figures for the years ending 31 December 2020) are as follows:

	2021	2020
	£	£
Current service cost		
Administrative expenses	-	-
Interest on net defined benefit (asset)/liability	3,000	10,000
Loss/(Gain) recognised	-	-
(Gain)/loss on plan charges	-	-
Curtailment (gain)/loss	-	-
Total	3,000	10,000

6. Retirement Benefits

Changes in the present value of the plan liabilities for the year ended 31 December 2021 (with comparative figures for the year ending 31 December 2020) are as follows:

	2021 £	2020 £
Present value of plan liabilities at beginning of period	5,156,000	4,760,000
Current service cost	-	-
Employee contributions	-	-
Benefits paid	(95,000)	(132,000)
Interest on plan liabilities	66,000	94,000
Actuarial (gains)/losses	(32,000)	434,000
(Gain)/loss on plan changes	-	-
Present value of plan liabilities at end of period	5,095,000	5,156,000

Changes in the fair value of the plan assets for the year ending 31 December 2021 (with comparative figures for the year ending 31 December 2020) are as follows:

	2021 £	2020 £
Market value of plan assets at beginning of period	4,870,000	4,223,000
Contributions paid by the company	124,000	124,000
Employee contributions	-	-
Benefits paid	(95,000)	(132,000)
Administrative expenses	-	-
Interest on plan assets	63,000	84,000
Return on assets, less interest included in Profit & Loss	200,000	571,000
Market value of Scheme assets at end of period	5,162,000	4,870,000
Actual return on plan assets	263,000	655,000

The major categories of plan assets as a percentage of total plan assets for the year ending 31 December 2020 (with comparative figures for the year ending 31 December 2020) are as follows:

	2021 %	2020 %
Equities and Property	14	15
Bonds	17	19
Diversified Growth	44	43
Liability Driven Investment ("LDI")	18	22
	7	1
Total	100	100

The plan has no investment in property occupied by, assets used by or financial instruments issued by Care for Veterans.

Analysis of the remeasurement of the net defined benefit liability recognised in Other Comprehensive Income ("OCI") for the year ending 31 December 2021 (with comparative figures for the year ending 31 December 2020) are as follows:

	2021 £	2020 £
Return on assets, less interest included in Profit & Loss	200,000	571,000
Expected less actual plan expenses	-	-
Experience gains and losses arising on the plan liabilities	-	102,000
Changes in assumptions underlying the present value of plan liabilities	32,000	(536,000)
Remeasurement of net defined benefit liability recognised in OCI	232,000	137,000

6. Retirement Benefits

Movement in net benefit asset/(liability) during the year ending 31 December 2021 (with comparative figures for the year ending 31 December 2020) are as follows:

	2021 £	2020 £
Net defined benefit asset/(liability) at beginning of year	(286,000)	(537,000)
Recognised in Statement of Financial Activities	(3,000)	(10,000)
Contributions paid by Company	124,000	124,000
Remeasurement of net defined benefit liability recognised in OCI	232,000	137,000
Net defined benefit asset/(liability) at end of the year	67,000	(286,000)

Funding Policy

Actuarial valuations are carried out every three years on behalf of the Trustees of the plan, by a qualified independent actuary. The actuarial assumptions underlying the actuarial valuation are different to those adopted under FRS102.

The last such actuarial valuation was at 31 March 2019. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the Company, which commits the Company to paying contributions to fund the shortfall. These deficit recovery contributions are incorporated in the plan's Schedule of Contributions dated 22 April 2020 and required contributions equal to £124,000 per annum payable in monthly instalments.

The contributions are subject to review following completion of the next funding valuation, due as at 31 March 2022.

Defined Contribution Scheme

Following the closure to future accrual of the Defined Benefit Scheme the charitable company put in place a stakeholder scheme for the benefit of the employees, to which the charity contributed a matched figure up to the value of 5% of the gross contribution. The Scheme was closed on 30 April 2014 following the introduction of the Workplace Pension Scheme.

The Workplace Pension Scheme was made available from 1 May 2014 to comply with the new pension auto-enrolment rules. Contributions in this scheme are matched by the Charity up to the value of 5%.

Charge Over Assets

A charge remains in place for the Pension Scheme Trustees. This charge provides security for the pension Trustee and can be taken into account when setting the investment strategy and, to a degree, the pace of funding for the deficit. The value of security is capped at £3,500,000.

7. Taxation

No provision has been made for taxation in these financial statements as the company is a charity in accordance with Section 4 of the Charities Act. It is exempt from taxation other than Value Added Tax provided that income and gains are applied to charitable purposes.

8. Tangible fixed assets

GROUP	Freehold property	Plant and equipment	Vehicles	Total
	£	£	£	£
Cost				
At 1 January 2021	8,874,999	1,681,311	246,638	10,802,948
Additions	-	57,521	40,184	97,705
Disposals	-	(403,615)	(172,780)	(576,395)
At 31 December 2021	8,874,999	1,335,217	114,042	10,324,258
Depreciation				
At 1 January 2021	5,300,274	1,177,266	246,638	6,724,178
Provided in period	371,363	120,186	8,037	499,586
On disposals	-	(392,642)	(172,780)	(565,422)
At 31 December 2021	5,671,637	904,810	81,895	6,658,342
Net book value at 31 December 2021	3,203,362	430,407	32,147	3,665,916
Net book value at 31 December 2020	3,574,725	504,045	-	4,078,770

CHARITY	Freehold property	Plant and equipment	Vehicles	Total
	£	£	£	£
Cost				
At 1 January 2021	9,038,269	1,681,311	246,638	10,966,218
Additions	-	57,521	40,184	97,705
Disposals	-	(403,615)	(172,780)	(576,395)
At 31 December 2021	9,038,269	1,335,217	114,042	10,487,528
Depreciation				
At 1 January 2021	5,300,274	1,177,266	246,638	6,724,178
Provided in period	371,363	120,186	8,037	499,586
On disposals	-	(392,642)	(172,780)	(565,422)
At 31 December 2021	5,671,637	904,810	81,895	6,658,342
Net book value at 31 December 2021	3,366,632	430,407	32,147	3,829,186
Net book value at 31 December 2020	3,737,995	504,045	-	4,242,040

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2021 £	2020 £
Plant and machinery	17,177	24,249
	17,177	24,249

9. Fixed asset investments

	2021 Total £	2020 Total £
Quoted investments		
Market value at 1 January 2021	3,449,857	3,482,182
Additions	499,857	1,668,187
Disposals	-	(1,805,396)
Net realised/unrealised gains	257,351	104,884
Market value at 31 December 2021	4,207,065	3,449,857
Short term deposits	290,970	642,406
Investments (Group) (Historical cost £4,147,922 [2020: £3,999,501])	4,498,035	4,092,263
Investments in group undertakings at 1 January 2021 and at 31 December 2021	1	1
Investments (Charity) (Historical cost £4,147,922 [2020: £3,999,501])	4,498,036	4,092,264

Analysed as:

	2021 Total £	2020 Total £
Charity Multi-Asset fund	4,207,065	3,449,857
	4,207,065	3,449,857

The Charity wholly owns the following subsidiary:

	Country of Incorporation	Class of share capital held	Principal activity
Care for Veterans Services Limited (formerly QAHH Services Limited)	England	Ordinary - 100% of ownership	Provision of nursing care and other trading activities

10. Stocks

	2021		2020	
	Group £	Charity £	Group £	Charity £
Consumable stores	11,458	11,458	12,775	12,775
Total consumable stores	11,458	11,458	12,775	12,775

11. Debtors

	2021		2020	
	Group £	Charity £	Group £	Charity £
Resident contributions receivable	194,475	160,034	169,266	137,283
Capitation fees receivable	5,421	5,421	5,421	5,421
Legacies receivable	86,630	86,630	413,605	413,605
Income tax recoverable	4,998	4,998	2,269	2,269
Prepayments and other debtors	52,025	52,025	71,776	71,776
Gift aid donations from trading subsidiary	-	7,871	-	11,383
Amounts due from group undertakings	-	32,809	-	30,028
Total debtors	343,549	349,788	662,337	671,765

12a. Creditors: amounts falling due within one year

	2021		2020	
	Group £	Charity £	Group £	Charity £
Trade creditors	75,880	75,880	75,810	75,810
Staff remuneration	52,593	52,593	47,642	47,642
Pension	17,896	17,896	18,876	18,876
Social security and other taxes	56,383	56,383	59,779	59,779
Hire purchase creditor	12,125	12,125	12,125	12,125
Other creditors and accruals	71,687	68,838	85,348	82,708
Total creditors (falling due within one year)	286,564	283,715	299,580	296,940

Net obligations under hire purchase are secured by fixed charges over the assets concerned.

12b. Creditors: amounts falling due after more than one year

	2021		2020	
	Group £	Charity £	Group £	Charity £
Hire purchase creditor	5,052	5,052	17,177	17,177
Total creditors (falling due after more than one year)	5,052	5,052	17,177	17,177

Net obligations under hire purchase are secured by fixed charges over the assets concerned.

13. General fund

	2021		2020	
	Group £	Charity £	Group £	Charity £
Revenue funds				
At 1 January 2021	4,609,677	4,609,678	3,437,309	3,437,310
Retained surplus/(deficit) for the year	(139,037)	(139,037)	1,296,574	1,296,574
Transfers from/(to) restricted funds	(20,684)	(20,684)	(124,206)	(124,206)
At 31 December 2021	4,449,956	4,449,957	4,609,677	4,609,678

14. Restricted and endowment funds

GROUP	Endowment Funds	Capital Funds	Other Restricted Funds	Total
	£	£	£	£
Revenue funds				
At 1 January 2021	160,071	4,057,770	450,126	4,667,967
Incoming resources	-	-	522,110	522,110
Expenditure	-	(499,586)	(474,120)	(973,706)
Gains/(losses) on investments	8,566	-	-	8,566
Transfer between funds	-	61,475	(61,475)	-
Transfers from/(to) revenue funds	(4,573)	25,257	-	20,684
At 31 December 2021	164,064	3,644,916	436,641	4,245,621

The transfers between funds during the year are represented by additional funds when required to show progress; transfers to and from these funds represent the introduction of funds from restricted income and the distribution of costs to capital funds. Transfers to the revenue fund represent restricted funds received for the allocation against revenue costs.

The `Other restricted funds` represents the smaller funds with restrictions placed on them.

The endowment funds are represented as follows;

The endowment (permanent) fund of £21,000 represents the value of premises owned by the unincorporated charity, The Queen Alexandra Hospital Home (208721) and a "uniting direction" was made by the Charity Commission enabling the two charities to be treated as one.

Two additional endowments (permanent) were added in 2010 and held in `special trust` for The Sailors & Soldiers Home Fund and Bloomfield Bequest. These two funds are invested separately from the Charity's main fund and its income is available for the charity's purpose. The current value of these is £143,064.

CHARITY	Endowment Funds	Capital Funds	Other Restricted Funds	Total
	£	£	£	£
Revenue fund				
At 1 January 2021	160,071	4,221,040	450,126	4,831,237
Incoming resources	-	-	522,110	522,110
Expenditure	-	(499,586)	(474,120)	(973,706)
Gains/(losses) on investments	8,566	-	-	8,566
Transfer between funds	-	61,475	(61,475)	-
Transfers from/(to) revenue fund	(4,573)	25,257	-	20,684
At 31 December 2021	164,064	3,808,186	436,641	4,408,891

15. Analysis of movements in restricted funds

	Balance at 1 January 2021	Income	Expenditure	Transfers	Funds 31 December 2021
	£	£	£	£	£
Room conversions to single rooms	19,723	26,500	(46,223)	-	-
Greenhouse and Gardening	-	34,250	(6,942)	-	27,308
Chaplaincy costs	524	3,000	(524)	-	3,000
CFV choir costs	45	-	-	-	45
Sporting chances for disabled veterans	15,257	35,000	(29,208)	-	21,049
Mixed rehabilitation related costs	336,011	308,081	(301,141)	-	342,951
Green Project - Solar panels & maintenance	11,366	-	(2,829)	-	8,537
Lift replacement and maintenance	9,129	-	(2,280)	-	6,849
Core Service	-	2,000	(2,000)	-	-
Richmond Wing extension	6,221	-	-	-	6,221
Hospital equipment - general	6,572	23,297	(14,018)	-	15,851
Green Projects - Electric Vehicle	43,678	3,500	(42,348)	-	4,830
Occupational Therapy Equipment	1,600	-	(1,600)	-	-
Covid-19 help grants	-	86,482	(86,482)	-	-
	450,126	522,110	(535,595)	-	436,641

Analysis of movements in restricted funds - previous year

	Balance at 1 January 2020	Income	Expenditure	Transfers	Funds 31 December 2020
	£	£	£	£	£
Chaplaincy costs	1,817	3,000	(4,293)	-	524
CFV choir costs	45	-	-	-	45
Sporting chances for disabled veterans	33,250	-	(17,993)	-	15,257
Garden design and costs	1,764	-	(1,764)	-	-
Mixed rehabilitation related costs	223,983	278,336	(166,308)	-	336,011
Green Project - Solar panels & maintenance	14,195	-	(2,829)	-	11,366
Lift replacement and maintenance	39,923	44,000	(74,794)	-	9,129
Richmond Wing extension	6,221	-	-	-	6,221
Social and recreation	200	-	(200)	-	-
Hospital equipment - general	16,068	12,026	(21,522)	-	6,572
Residents costs and entertainment	2,473	302	(2,775)	-	-
Ward hospitality	150	400	(550)	-	-
Green Projects - Electric Vehicle	-	43,678	-	-	43,678
IT Equipment	-	4,794	(4,794)	-	-
Occupational Therapy Equipment	-	19,861	(18,261)	-	1,600
Room Conversions	-	19,723	-	-	19,723
Covid-19 impact programme	-	125,000	(125,000)	-	-
Covid-19 infection control	-	91,225	(91,225)	-	-
	340,089	642,345	(532,308)	-	450,126

Name of restricted fund

Sporting chances for disabled veterans
Garden design and costs
Mixed rehabilitation related costs
Green Project - Solar panels
Lift replacement and maintenance
Richmond Wing extension
Hospital equipment - general
Residents costs and entertainment
Green Projects - Electric Vehicle
Occupational Therapy Equipment
Room Conversions
Covid-19 impact programme

Description of fund

Sporting activities for disabled veterans (delayed due to Covid-19)
Fund towards ongoing gardening requirements
To maintain occupational therapy, physiotherapy and speech therapy
To provide and maintain Solar panels
To replace the two lifts and related costs on Alexandra Wing
Retention dispute on Richmond Wing extension
To provide the much need services for residents needing end-of-life care
To purchase small items for residents needs
To purchase an electric ambulance
IT equipment to aid residents
Conversion of double rooms to single rooms
To provide funds to help during Covid-19

16. Analysis of net assets between funds

GROUP	Tangible Fixed Assets	Investments	Net Current Assets	Debtors due >1year	Creditors due >1year	Total
	£	£	£		£	£
Endowment fund						
Capital fund (including unrealised gains of £8,566) (2020: Losses £32,192))	21,000	143,064	-	-	-	164,064
	21,000	143,064	-	-	-	164,064
Restricted fund						
Capital fund	3,644,916	-	-	-	-	3,644,916
Capital expenditure fund	-	-	-	-	-	-
Other restricted funds	-	-	436,641	-	(5,052)	431,589
	3,644,916	-	436,641	-	(5,052)	4,076,505
Unrestricted fund						
Revenue fund (including unrealised gains of £248,785 (2020: Losses £251,661))	-	4,354,971	100,037	-	-	4,455,008
Pension fund asset	-	-	-	67,000	-	67,000
	-	4,354,971	100,037	67,000	-	4,522,008
	3,665,916	4,498,035	536,678	67,000	(5,052)	8,762,577
CHARITY						
	£	£	£		£	£
Endowment fund						
Capital fund (including unrealised gains of £8,566) (2020: Losses £32,192))	21,000	143,064	-	-	-	164,064
	21,000	143,064	-	-	-	164,064
Restricted fund						
Capital fund	3,808,186	-	-	-	-	3,808,186
Capital expenditure fund	-	-	-	-	-	-
Other restricted funds	-	-	436,641	-	(5,052)	431,589
	3,808,186	-	436,641	-	(5,052)	4,239,775
Unrestricted fund						
Revenue fund (including unrealised gains of £248,785 (2020: Losses £251,661))	-	4,354,972	100,037	-	-	4,455,009
Pension fund asset	-	-	-	67,000	-	67,000
	-	4,354,972	100,037	67,000	-	4,522,009
	3,829,186	4,498,036	536,678	67,000	(5,052)	8,925,848

17. Capital commitments

There were no capital commitments at 31 December 2021 (2020: None). No other commitments had been made at 31 December 2021 (2020: None).

18. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under FRS 102 or the SORP (2020: NIL).

19. Subsidiary company

The Charity owns the whole of the issued ordinary share capital of Care for Veterans Services Limited (formerly QAHH Services Limited) registered number 5802953, a company registered in England and Wales whose registered office and place of business are the same as that of the charity.

The trading activities of the subsidiary Care for Veterans Services Limited for the year ended 31 December 2021 were as follows:

	2021	2020
	£	£
Turnover	367,382	491,847
Cost of sales	356,322	477,521
	11,060	14,326
Other operating income and charges	3,189	2,943
Profit/(loss) on ordinary activities before taxation	7,871	11,383
Appropriation to holding company (Gift aid)	(7,871)	(11,383)
(Loss)/profit for the financial year	-	-
Net current assets	1	1
Net assets	1	1
Share capital	1	1
Retained profit	-	-
Net assets	1	1

20. Surplus of income over expenditure

The charity has taken advantage of section 408 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements. The net of income over expenditure for the period includes a deficit of £667,733 (2020: surplus £1,342,968 which is dealt with in the financial statements of the charity).

21. Grants/ Donations receivable

Under the terms of the Grant/ Donation Agreement or contract, the following funders are disclosed individually.

Funder	Project	2021 Amount £
RAF Benevolent Fund	Mixed rehabilitation services	15,000
ABF Soldiers' Charity	Mixed rehabilitation services	81,344
Veterans Foundation	Mixed rehabilitation services	24,643
The MacRobert Trust	Physiotherapy	10,000
Hospital Saturday Fund	Mixed rehabilitation services	2,000
Clothworkers' Foundation	One off capital grant to fund a room conversion	21,500
Chapman Charitable Trust	Further the objectives of the charity	12,000
Armed Forces Covenant Fund Trust	Sporting chances project	35,000
Armed Forces Covenant Fund Trust	Constant gardening project	35,000
Trinity House	Core costs	8,000
Ernest Kleinwort Charitable Trust	Mixed rehabilitation services	Not disclosed
Queen Mary's Roehampton Trust	Mixed rehabilitation services	Not disclosed
Royal Navy & Royal Marines Charity and Greenwich Hospital	Mixed rehabilitation services	66,500
Swire Charitable Trust	Core costs	Not disclosed

22. Analysis of governance

	Basis of apportionment	2021 £	2020 £
Salaries, wages and related costs	Time apportionment	23,260	22,914
Audit fees - charity	Governance	11,970	13,590
Audit fees - subsidiary company	Governance	2,850	2,640
Total governance		38,080	39,144

23. Analysis of changes in net funds

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	748,256	(280,021)	468,235
	748,256	(280,021)	468,235
Obligations under finance leases	(29,301)	12,125	(17,176)
	718,955	(267,896)	451,059

24. Operating lease commitments

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating lease, which fall due as follows:

	2021 £	2020 £
Within one year	6,431	-
Between two and five years	23,043	-
	29,474	-

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Notes



The Queen Alexandra Hospital Home since 1919

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