

ANNUAL REPORT & ACCOUNTS

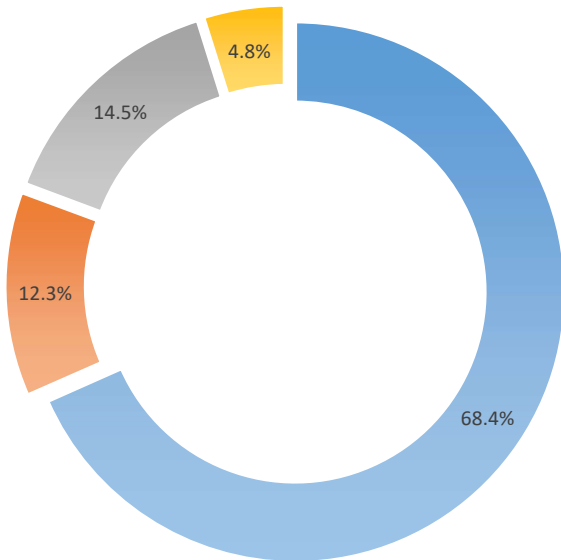
For the year ended 31 December 2022



The Queen Alexandra Hospital Home since 1919

How the funds have helped

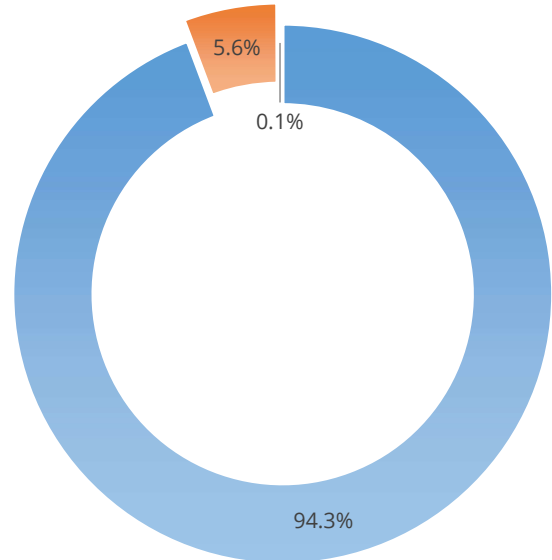
How the money came in



- Provision of care, rehabilitation and services
- Donations and fundraising events
- Legacies
- Investment and other income

Total income £4.85m

How the money went out



- Provision of care, rehabilitation and services
- Fundraising costs
- Investment and other income costs

Total expenditure £5.17m

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Group Trustees Report and Strategic Report

CHAIRMAN'S REPORT

I am very pleased to provide a foreword to this report for 2022 for Care for Veterans (CfV). Last year I wrote that it was a year like no other. After another very difficult year we have had to adjust to what can be described as a new normal. Covid has continued to affect us all at CfV, with occasional cases occurring, leading to a number of lockdown periods. You will read more on the impact of the virus on CfV within the various sections of this report. However, we have developed a robust regime to deal with what occurs and we have maintained the highest level of care and service to the residents, whilst attending to the needs of the staff. I am pleased to report that there were no deaths directly attributable to the pandemic in 2022.

2022 was another difficult year and we have not been able to achieve everything which was planned. Challenges were overcome one by one, and the new rhythm, established in 2021, was maintained so that everyone knew what had to be done and how to do it. New ways of working continued to have been developed to maintain business continuity so that the charity could continue to function. The IT systems have been fully tested, 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 once again the Board of Trustees offer the highest accolade possible for their supreme efforts. 2022 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.

We maintained work on a number of essential upgrades and programmes, within the restrictions imposed as a result of COVID-19. We maintained the programme to divide the existing double rooms into singles which will be completed in early 2023. This will enable us to return resident numbers as close as possible to the maximum capacity of 60. Resident numbers were held at a viable level throughout 2022 and more beds are now being filled; the benefits of single rooms are clearly evident.

Finances remain tight and this is reflected in the outcome for 2022. 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.

Fundraising has been extremely difficult in 2022 but a number of successful live events were held alongside an increased use of digital events. The Fundraising and Marketing Team have been very responsive by shifting the dates of events at short notice to exploit the windows when they could be held at CfV.

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. A Governance Review was undertaken in 2022 and this will lead to a Strategic Review in 2023.

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 2022 a surprisingly successful year, no matter what the external pressures might have been. The sense of pride in what has been achieved is tangible and always receives well deserved credit.

Once again, 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. The fact that these measures have been successful is little consolation to those who were not able to spend time with their loved ones, despite innovative methods being in place. 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.

As always, there were fluctuations between periods of great optimism and much more demanding times, but life at Care for Veterans goes on. Although the pandemic is not so dominant as before, there is a constant need for change at short notice and the strategic aim remains 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.

I will retire from the Board in May 2023, and I wish my successor and the Trustees all the very best for the future and am grateful for the fantastic support they, and the Senior Management Team, have offered me during my time as Chairman.

James Fanshawe CBE

Group Trustees Report and Strategic Report

TRUSTEES REPORT

Report of the Trustees for the year ending 31 December 2022

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 2022. 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).

OBJECTIVITIES 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.

Group Trustees Report and Strategic Report

STRATEGIC REPORT

Review of Business

Financial review

In January 2022 the focus on the covid pandemic and the lifting of restrictions in the general population was not mirrored in the social care sector with restrictions remaining until virtually the end of the year. The home suffered a significant outbreak in January when the Omicron variant swept across the United Kingdom. At one stage the home suffered a 38% staff sickness absence rate requiring administrative staff to support the clinical areas. The rates amongst residents was lower, although a number did contract covid, no residents were lost to the virus. Over the course of 2022 there were then several smaller outbreaks but strict adherence to the Public Health England guidelines appeared to contain them in isolated pockets. Resident numbers did increase over the year, at one stage reaching 55 which resulted in the decision being made to convert the final three double rooms to maximise occupancy opportunities. Whilst this did lead to a reduction in availability for most of 2022, the final room was completed in December and once the final modifications to hoists and alarm systems are complete the home will finally enjoy 60 single rooms. The financial year was also significantly impacted by inflation, increasingly so as the year progressed. The impact of Russia's invasion of Ukraine was felt across the world as inflation hit virtually every aspect of daily life, from fuel and food to medical and building materials.

Total fee income for care was £2.85m (with an additional £471k for fees from non-primary purpose residents), an increase from 2021 (£2.51m with an additional £367k for fees from non-primary purpose), principally due to the slow increase in resident occupancy numbers during the year. Funding came directly from self-funding residents and funding organisations (principally local authorities and NHS commissioners).

Following the staffing review in 2020 changes have continued to be implemented across the workforce. The nursing and care review is the last and largest area to be considered but initial changes have been implemented and these changes have produced results in this reporting year. Richmond and Norfolk wings have now been combined creating a more flexible workforce and a slimmer management structure. Norfolk wing is now the therapy and wellbeing area of the site. 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 £4.88m in 2022 (2021: £4.69m). The increased costs in 2022 were represented mainly by the cost of converting the remaining three rooms from doubles to singles to the value of £83k and the window replacements in the main building totalling £124k. The process of creating a sustainable service for the long-term continues.

The total voluntary income amounted to £1.21m (2021: £1.04m). This reflected an increase in legacy income on 2021 (which benefitted from a single large legacy). Legacy income in 2022 was £702k (2021: £414k) 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.

CfV made a positive decision in 2020 to transfer the investment portfolio into the SUTL Cazenove Charity Multi-Asset Fund (CMAF). This proved to be a very positive change during 2021. In 2022 CfV moved one third of its investments to the SUTL Cazenove Charity Responsible Multi-Asset Fund (RMAF). This fund aims to provide income and capital growth in line with the Consumer Price Index +4% per annum (net of fees) over rolling ten-year periods. This return expectation is the same as the CMAF the RMAF however goes further and the intention is for the Fund to have a positive impact on people and the planet by avoiding harm through Environmental, Social and Governance (ESG) integration and exclusions, benefiting stakeholders through responsible business activities and contributing to solutions through influence and investing for impact.

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).

Group Trustees Report and Strategic Report

STRATEGIC REPORT

Achievements and Performance 2022

Objective	Outcome
Manage and where possible reduce the operational financial deficit.	<p>By the end of the reporting year, CfV's completed all room conversions and now has 60 single rooms allowing the charity to maximise occupancy. This will reassure private funders, commissioners and social services that new residents can be safely admitted irrespective of any future outbreaks. In addition, the full impact of the 2020 staffing review started to be realised during the financial year. CfV had a net expenditure before investments (i.e. an operational financial deficit) in 2022 of £328k compared to a net expenditure before investments in 2021 of £718k. There is close monitoring of the financial situation from an overall budget and cashflow perspective. The workforce continues to be reviewed and the changes to the last area to be reviewed, the nursing and care department have started to take effect with a slimmer management structure. Following a benchmarking against similar organisations the staff to resident ratios were adjusted from 1:3 in the morning to 1:3.5 and similarly in the afternoon 1:3.5 was changed to 1:4. This combined with the slimmer management structure has made savings in this area and provided longevity to the home. This objective became more challenging as inflation spiralled upward following the invasion of Ukraine with almost every aspect of delivering care, from food and heat to dressings and equipment fittings increasing in cost.</p> <ul style="list-style-type: none"> The financial deficit persisted in 2022, compounded by inflation. However, overall expenditure is more controlled.
Provide the residents with high-grade accommodation in single rooms.	<p>Following the conversion of seven double rooms into 14 single rooms, the decision was taken to pause the conversion programme until resident numbers rose. At one stage occupancy appeared stuck at approximately 42 residents. However, as the numbers increased, reaching 55 at their peak, the programme to convert the final three rooms was restarted. This was achieved by the end of the year with only a few minor items to complete such as call bells and the hoist re-installation.</p> <ul style="list-style-type: none"> CfV now has 60 single large rooms, almost half of which are en-suite.
Implement the Nursing and Care restructure.	<p>The nursing and care restructure was the final and most challenging aspect of the overall staffing restructure. Nursing and care represent by far the largest number of employees in the workforce many of whom have different qualifications and levels of experience. However, the amalgamation of Richmond and Norfolk Wings into one Wing, Richmond Wing, resulted in a much slimmer management structure and a more flexible workforce. Having one shift lead, who is supernumerary allows greater control and improved management across the wing. The alteration in staff to resident ratios also contributed to the overall changes.</p> <ul style="list-style-type: none"> CfV now only has two nursing wings, Alexandra and Richmond.
Foster a closer working relationship with local authority funding bodies.	<p>The team responsible for placements has continued to communicate with local authority providers along with private funders to increase occupancy. The local authority funders have visited the home during 2022 and we have engaged in their infection control audit scoring highly. This was reflected in our return to 55 residents during the reporting period.</p> <ul style="list-style-type: none"> Whilst the covid grants largely ceased, the increased contact has positively affected occupancy.
Investigate the potential for a dementia wing at CfV.	<p>A full scoping exercise was conducted including visits to the Royal Star and Garter and the Royal Naval benevolent Trust. In addition, the dementia specialist from each visited CfV and looked at infrastructure, the floor plan, access and egress and the security system. They advised on the best areas for either an eight or 22 bed unit. Local fees were determined by an interview with one of the Trustees whose mother has been in a local dementia home as a permanent resident. The discipline that featured most prominently was meaningful care matters and details were gathered on staff to resident ratios and staff training using this approach. Additionally, advice was sought from Stirling University on the décor and furnishings. There would be considerable outlay for both infrastructure and training and as occupancy levels rose, following a discussion at the trustee board, a decision was taken not to pursue this at this stage. However, the scoping study remains on file should the decision be taken to resurrect it.</p> <ul style="list-style-type: none"> The decision was taken not to pursue this at the present stage.
Deliver savings on utilities whilst demonstrating environmental responsibility.	<p>The solar PV panels continue to produce considerable savings, especially in the high levels of sunlight during 2022. This year returned our highest ever yield with the panels, at the peak of summer producing almost a third of the hospital home's electricity requirements. This is hugely beneficial as the cost of energy rises across the world. All of the wooden windows in Gifford House were replaced in 2022 with the installation of energy efficient and low-maintenance UPVC making the oldest part of the site more environmentally friendly. The impact of the LED lights, new lifts and laundry equipment since the advent to the green project have significantly reduce maintenance costs and avoided equipment be unusable. The electric ambulance continues to produce fuel and environment savings being used most days to take residents to appointments and on visits home in the local area.</p> <ul style="list-style-type: none"> With the exception of low annual servicing costs, the all-electric ambulance has cost nothing to run since delivery in April 2021.

Group Trustees Report and Strategic Report

STRATEGIC REPORT

Risk and Uncertainty

Number	Risk	Mitigation
1	Inflation.	<ul style="list-style-type: none"> • Six monthly reviews of fee levels. • Staff salaries – accepted increases for 2023. • Staffing ratios reduced as part of internal reviews. • Previously outsourced services now done in-house. •
2	A decline in resident numbers as the care in the community approach is widely used by local authorities.	<ul style="list-style-type: none"> • single rooms for every resident • Publication of on-site therapies • Scoping complete to open a dementia wing
3	Poor CQC rating	<ul style="list-style-type: none"> • Inspection took place early 2023 – Good rating received. • Policies and procedures regularly reviewed and updated. • Supervisions and training monitored to make sure in date. • Resident involvement in decision making. • 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"> • Regular monitoring of the portfolio. • 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	<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.

Group Trustees Report and Strategic Report

TRUSTEES REPORT

Operational Overview of 2022

Whilst the rest of the population had the rules on Covid-19 almost completely relaxed the same was not the case within the social care sector. Guidelines on visitor numbers, trips out, and the use of PPE, specifically masks, persisted until November 2022. The relaxation of this guideline was well received by both visitors and staff but did lead to an initial increase in sickness beyond covid with colds and flu-like symptoms. Testing also ceased at this time and there is no longer routine testing with tests only being carried out when a resident or staff member is symptomatic. Despite this, it comes against a guideline of only two positive cases are required for the home to be placed back into lockdown until those cases are negative on testing. In January the home suffered its biggest ever outbreak with a sickness absence rate of 38% at its peak with many residents affected too. This led to a redeployment of administrative staff to support the clinical areas and the home continued to function. Since then, the home has been placed in lockdown on three further occasions during 2022 but with far fewer staff affected and each episode lasting an average of four-to-six-week periods. Well-practised protocols are employed, and we have avoided any major outbreaks.

Administrative staff have largely returned to the workplace which has improved internal communication. However, the use of virtual desks has allowed staff to continue to work from home on occasions when they are working on specific projects, or the internal lockdown dictates it. Microsoft Teams has continued to allow Trustee Board meetings to be conducted remotely, along with the sub-committees of fundraising, finance and clinical governance.

The covid pandemic also had an impact on the supply chain and expenditure. China suffered further outbreaks and the strict lockdowns in factories had a huge impact on the supply chain. This led to global shortages of many items and an increase in costs as demand persisted. This situation was further compounded by Russia's invasion of Ukraine which again affected the delivery of many items from food to building materials. The impact of these two situations led to a rapid increase in inflation, especially in energy supply and food. The well-publicised cost-of-living crisis affected most of the United Kingdom's population and the social care sector did not escape the impact. Additionally, the larger than predicted increase in the National Minimum Wage announced in autumn led to salary compression through all employees. These factors were the rationale placing inflation as the number one risk to the organisation's longevity.

The nursing and care review, which was the final part of the whole site service review, was completed in 2022. It saw the amalgamation of Richmond and Norfolk Wings into one wing, Richmond Wing. Norfolk Wing is now the therapy area and wellbeing hub maintaining the long-established links with the Duke of Norfolk. This change led to a slimmer management structure and a more flexible workforce capable of covering absence more easily. Following a benchmarking exercise against similar veterans' charity nursing homes, the decision was taken to slightly reduce the staff to resident ration from 1:3 to 1:3.5 in the morning and 1:3.5 to 1:4 in the afternoons. This has been achieved whilst maintaining the high standards of nursing care and is still ahead of similar organisations.

In August 2022 the home unexpectedly lost the use of its electronic medical system. This was a direct result of the supplier being a victim of the ever-increasing number of cyber-attacks. CfV quickly adapted to this situation devising its own method for recording data for the down period. No resident information was lost or stolen in the period of downtime which lasted until the end of 2022. As a result, CfV has since found a new system which better suits its changing needs and this system will be implemented at the start of 2023.

Contact has been made from former residents of Blind Veterans (BV) at Brighton. With the sale of their building in Brighton and the procurement of a new site in Rustington some are seeking alternative accommodation. A meeting with the CEO of BV as led to collaborative approach and the staff from Brighton visiting CfV to advice on potential changes to the infrastructure.

Following successful fundraising applications CfV rolled out a new improved Wi-Fi system. This extended the existing system making Wi-Fi available in all parts of the building for residents. With an ever-increasing requirement from residents for internet connectivity for watching TV and communicating with family and friends CfV felt this was a very important step forward with technology.

The impacts of our earlier years Green Projects continue to save the home money on utilities and the long-hot summer of 2022 produced the best yield to date from the solar PV panels producing approximately a third of the home's electricity in the peak of summer. The other noticeable change is the reduction in callout charges, repairs and labour on many of the items replaced under the project.

An ageing CCTV system was replaced providing greater security for the residents and staff. In addition, the two barriers into the visitor's and staff car parks were replaced providing a visible deterrent. Finally, all of the single glazed windows in Gifford house have been replaced with low-maintenance and energy-efficient UPVC double glazed frames.

Group Trustees Report and Strategic Report

TRUSTEES REPORT

Review of Activities 2022

The funding of social care remains a challenge for the Treasury. The rise in National Insurance, which was to deliver increased social care funding was initially redirected to the NHS, and then reversed on the change of Prime Minister leaving the sector struggling to provide care.

There was a small increase in the financial year of £200 million for social care but this has not eased the pressures on delivering the cost-of-care. This lack of additional funding allied to the inflationary pressures of services, consumables, utilities and salaries have made 2022 extremely challenging. Alongside this the infection control grants from West Sussex County Council reduced sharply and were then withdrawn leaving the sector struggling in a cost-of-living crisis.

CfV continued to provide interdisciplinary working from the multidisciplinary team. 2022 saw the successful recruitment of both a full-time Speech and Language therapist and Occupational therapist. These new staff slipped seamlessly into the organisation alongside the physiotherapy department to provide true interdisciplinary working. Subsidised charges were introduced for all therapies during 2022 helping to manage the operational deficit but the group exercise and cycling club have remained free to all and have proved extremely popular. These are funded by the restricted funds acquired by the Fundraising team.

Student nurse training has restarted and we now take student nurses from both Brighton and Portsmouth Universities. Physiotherapy student placements from the University of Brighton continue with at least one student here at all-times which ensures currency among the clinical staff. Unfortunately, in 2022 the placement of occupational therapy students expected to start during the year were put on hold during the omicron outbreak at the start of the year and, at present, have not restarted. The presence of students on provides residents with variety during the long-term rehabilitation.

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. 2022 continued to be challenging with considerable difficulties in organising and delivering events. There were fantastic in person events in 2022 including a Fire walk, Clay Pigeon Shooting, 2 golf days, Peacehaven cliff abseil and a Skydive. Returning to some normality with hosting Summer Fayre and Christmas Market in the grounds at Care for Veterans, and we attended more community based events.

Trusts applications are still challenging and the giving has not returned to a pre Covid level. More trusts are either declining or the donation is lesser than applied for. The cost of living crisis has certainly had a detrimental impact on givers, and the amount they are donating. The fundraising budget for 2022 was not achieved but looking forward to 2023 with optimism and careful planning to achieve budget.

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 2022 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.

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.

Group Trustees Report and Strategic Report

TRUSTEES REPORT

Review of Activities 2022

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 £4.2m (2021: £4.5m) represents the unrestricted reserve fund, adjusted for the pension reserve fund. The pension value at 31 December 2022 showed a surplus of £328k compared to a surplus of £67k in 2021. This reduction in the pension scheme deficit came as a result of, 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). The £328k surplus has not been recognised in the financial statements. The criteria of the recognition of a surplus as an asset as described in accounting policy 1.8 was not met and therefore the surplus has not been recognised.

Designated funds

The designated reserves are made up of the capital fund and the permanent endowment fund. At the end of the year, the capital fund stood at £3.17m (2021: £3.64m) which represents CfV's investment in capital items, principally buildings, with the remainder being the permanent endowment fund of £0.15m (2021: £0.16m).

Restricted fund

The restricted fund stood at £0.32m (2021: £0.44m) at the year end and represents smaller funds with restrictions placed on them.

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. In 2022 CfV following an investment review moved one third of the CMAF into the SUTL Cazenove Responsible Multi-Asset Fund

Both CMAF and the RMAF aim 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. It is intended however that the RMAF has a positive impact on people and the planet by avoiding harm through ESG integration and exclusions.

At 31 December 2022 the Charity's investments were valued at £4.23m (2021: £4.49m), as set out in Note 9. This amount includes £0.30m (2021: £0.29m) held in short term deposits. CMAF and RMAF remain liquid should cash be required.

The CMAF produced a total return of -6.4% over the last 12 months. The RMAF produced a return of -1.2% for the period of investment in April 2022 to 31 December 2022. 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 and the RMAF plus leaving sufficient liquidity outside of the CMAF and RMAF to provide for the day-to-day running costs if required.

Group Trustees Report and Strategic Report

TRUSTEES REPORT

Review of Activities 2022

Portfolio Impact Measurement of the CMAF and RMAF

		CMAF	RMAF
Planet 	Carbon footprint vs benchmark*	234 tonnes of CO2 290 tonnes of CO2	55 tonnes of CO2 166 tonnes of CO2
People 	Social dividend vs benchmark*	0.0% p.a -5.2% p.a	2.8% p.a -5.2% p.a

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 the 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 CfV 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 continued to trade for income outside the charitable status. The results are detailed in note 19.

Group Trustees Report and Strategic Report

TRUSTEES REPORT

Review of Activities 2022

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 £328,000 existed at 31 December 2022 (2021: £67,000 surplus). This amount has not been recognised as a surplus in these accounts as it does not meet the recognition criteria.

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 2018-2023 strategy is in its final year of currency and a new strategy 2023-2028 will be developed during 2023.

Future Prospects

The Board of Trustees acknowledges the work that has gone into increasing the occupancy at CfV. However, to ensure longevity they support the Senior Management Team continuing to scope opportunities such as accommodation for those suffering from dementia or the visually impaired. This new healthcare commissioner's 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 investigated the potential for the conversion of one wing to cater for this increasing number of sufferers. Whilst it was agreed not to progress this the scoping study remains on file and available to action at any future stage.

Whilst the Trustees support the CEO's task of reducing the operational deficit, they have agreed that the policy of CfV maintaining the highest level of affordable nursing and rehabilitation services. The continuing operational deficit is planned to be met by fundraising. The adjustments to the staff to resident ratios will also see a narrowing of the gap between the cost of care and funding.

Following the invasion of Ukraine in February and the covid outbreaks in China resulting in reduced production the global economic burden is becoming clearer. Higher energy and food prices have created a cost-of-living crisis in many countries around the world and this will continue into 2023. Following an earlier slump in the value of the reserves portfolio there has been a recovery later in 2022. Our investment managers are looking to increase the "quality" bias within portfolios.

Group Trustees Report and Strategic Report

TRUSTEES REPORT

2023 Objectives

The main objectives for 2023 are:

- Introduce a new electronic medical records system.
- Maximising resident occupancy in the 60 single rooms
- Investigating the potential for accommodation for the blind or visually impaired veterans
- Replacing all boilers that are old and energy inefficient as part of the green project.
- Re-open a scoping into the use of day services at CFV.

How the objectives for 2023 will affect the charity:

- The new electronic medical record system will give all staff a hand-held device to record medical records on the go, freeing up administrative time.
- Increased resident numbers will increase funding and support the home during the cost-of-living crisis.
- Having plans to diversify into other elements of care will offer options if point two is unsuccessful.
- 95% of the cost of a new boiler is the case that can go through it. A boiler that produces the same output using 10-20% less gas will significantly reduce utilities that continue to increase in cost.
- Day services will ensure the fullest use of the site's facilities and could offer future residents, supporters, volunteers and donors.

IMPLICATIONS OF COVID-19

Whilst the impact of Covid-19 has almost disappeared as a concern in the general population the restrictions in the social care sector persist. Restrictions on visiting, trips out, room access and the wearing of PPE including masks when dealing with someone with symptoms or in areas of high risk.

Despite this, generally there has been a relaxation and routine testing has stopped, mask wearing has ceased except in certain situations and vaccinations are no longer compulsory and are not recorded.

Admissions are now allowed again and the single rooms have removed any restrictions regarding new residents. However, the caveat of only two cases, staff or residents, places the home back into lockdown further tightening restrictions.

Group Trustees Report and Strategic Report

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; Head of Human Resources and the Head of Support Services.

A formal Governance review of the Trustee board was undertaken in late 2022 by an external company. The recommendations from the review will be implemented in 2023.

Group Trustees Report and Strategic Report

TRUSTEES REPORT

Structure, Governance and Management

Related Parties

The Charity's wholly owned subsidiary Care for Veterans 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 Retires 17 th May 2023
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
Mrs Anna Harrison		4

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

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

Pension Trustees

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

Pension Administrators

Cartwright
Mill Pool House
Mill Lane
Godalming
Surrey GU7 1EY

Bankers

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

Principle office of Charity and

Registered Office

Gifford House
Boundary Road
Worthing
West Sussex BN11 4LJ

Company Number

03646570

Registered Charity Number

1072334

Investment Managers

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

Solicitors

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

Country of incorporation

England and Wales

Group Trustees Report and Strategic Report

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

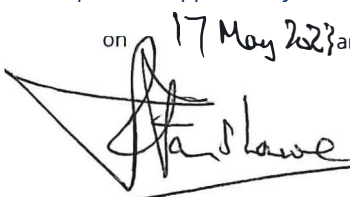
A resolution to reappoint Carpenter Box for the coming year will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

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 2022. With their continued support, we look forward to enhancing the delivery of CfV's charitable services.

This report was approved by the Trustees

on 17 May 2023 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') for the year ended 31 December 2022 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 charitable company's affairs as at 31 December 2022 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 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 charitable company operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations, including a review of CQC reports;
- Obtaining an understanding of the 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 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

Robin Evans 23/05/2023

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 2022

	Note	Unrestricted Funds £	Endowment & Restricted £	2022 Total £	Unrestricted Funds £	Endowment & Restricted £	2021 Total £
INCOME AND ENDOWMENTS FROM							
Donations and legacies	2	844,935	361,010	1,205,945	609,346	435,628	1,044,974
Other trading activities	2	574,850	-	574,850	468,642	-	468,642
Investments	2	172,045	-	172,045	153,590	-	153,590
		1,591,830	361,010	1,952,840	1,231,578	435,628	1,667,206
Charitable activities	3a	2,845,291	-	2,845,291	2,507,156	-	2,507,156
Other income	3b	-	50,400	50,400	3,099	86,482	89,581
TOTAL INCOME		4,437,121	411,410	4,848,531	3,741,833	522,110	4,263,943
EXPENDITURE ON							
Raising funds	4	295,835	-	295,835	284,299	1,000	285,299
Charitable activities	4	3,876,523	1,004,792	4,881,315	3,724,357	972,705	4,697,062
TOTAL EXPENDITURE		4,172,358	1,004,792	5,177,150	4,008,656	973,705	4,982,361
Net income/(expenditure) before investments		264,763	(593,382)	(328,619)	(266,823)	(451,595)	(718,418)
NET (LOSSES)/GAINS ON INVESTMENTS	9	(410,922)	(14,915)	(425,837)	248,795	8,556	257,351
NET INCOME/ (EXPENDITURE)		(146,159)	(608,297)	(754,456)	(18,028)	(443,039)	(461,067)
Transfers between funds							
Actuarial gains/(losses) on defined benefit pension scheme	6	(8,959)	8,959	-	(20,684)	20,684	-
		(193,000)	-	(193,000)	232,000	-	232,000
Net movement in funds		(348,118)	(599,338)	(947,456)	193,288	(422,355)	(229,067)
Funds balance brought forward		4,516,965	4,245,612	8,762,577	4,323,677	4,667,967	8,991,644
FUNDS BALANCE CARRIED FORWARD		4,168,847	3,646,274	7,815,121	4,516,965	4,245,612	8,762,577

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

Consolidated and Charity Balance Sheets

As at 31 December 2022

	Note	Group		Charity	
		2022 Total £	2021 Total £	2022 Total £	2021 Total £
Fixed assets					
Tangible assets	8	3,195,199	3,665,916	3,358,469	3,829,186
Investments	9	4,238,397	4,498,035	4,238,398	4,498,036
TOTAL FIXED ASSETS		7,433,596	8,163,951	7,596,867	8,327,222
Current assets					
Stocks	10	15,872	11,458	15,872	11,458
Debtors	11	440,558	343,549	438,177	349,788
Cash at bank and in hand		212,300	468,235	211,681	459,147
Creditors - amounts falling due within one year	12a	668,730 (287,205)	823,242 (286,564)	665,730 (284,205)	820,393 (283,715)
NET CURRENT ASSETS		381,525	536,678	381,525	536,678
Creditors - amounts falling after more than one year	12b	-	(5,052)	-	(5,052)
Net assets before pension scheme liability		7,815,121	8,695,577	7,978,392	8,858,848
Defined benefit pension scheme asset/(liability)		-	67,000	-	67,000
NET ASSETS AFTER PENSION LIABILITY		7,815,121	8,762,577	7,978,392	8,925,848
Designated funds					
Endowment fund	14	149,149	164,064	149,149	164,064
Capital fund	14	3,174,199	3,644,916	3,337,469	3,808,186
Revenue funds					
Restricted funds	14	322,935	436,641	322,935	436,641
Unrestricted:					
Pension reserve fund	6	-	67,000	-	67,000
General fund (including revaluation reserve (£144,096) [2021: £350,113] for Group and Charity)	13	4,168,838	4,449,956	4,168,839	4,449,957
Total unrestricted		4,168,838	4,516,956	4,168,839	4,516,957
TOTAL CHARITY FUNDS		7,815,121	8,762,577	7,978,392	8,925,848

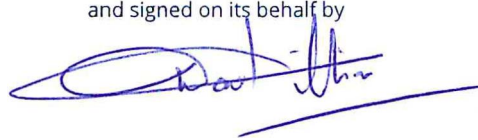
Approved by the Board of Trustees on

17th May 2023



J Fanshawe CBE

and signed on its behalf by



D Williams

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 2022

Note	Group		Charity		
	2022 £	2021 £	2022 £	2021 £	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net cash provided by/(used in) operating activities	a	(225,257)	176,076	(216,788)	179,056
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income and interest receivable		172,045	153,590	172,045	153,590
Purchase of tangible fixed assets		(32,443)	(97,705)	(32,443)	(97,705)
Purchase of investments		(1,452,274)	(499,857)	(1,452,274)	(499,857)
Sale of investments		1,294,119	-	1,294,119	-
Net cash provided by/(used in) investing activities		(18,553)	(443,972)	(18,553)	(443,972)
Cashflows from financing activities					
Payment of finance lease obligations		(12,125)	(12,125)	(12,125)	(12,125)
Net increase / (decrease) in cash and cash equivalents		(255,935)	(280,021)	(247,466)	(277,041)
Cash and cash equivalents at the beginning of the reporting period		468,235	748,256	459,147	736,188
Cash and cash equivalents at the end of the reporting period		212,300	468,235	211,681	459,147

	Group		Charity		
	2022 £	2021 £	2022 £	2021 £	
a. Reconciliation of net movement in funds to net cash flow from operating activities					
Net (outgoing)/incoming resources before gains and losses on investment assets		(328,619)	(718,418)	(328,619)	(718,418)
Investment income and interest receivable		(172,045)	(153,590)	(172,045)	(153,590)
Depreciation and loss on disposal		503,160	510,559	503,160	510,559
Decrease/(increase) in cash on deposit		(8,044)	351,436	(8,044)	351,436
(Increase)/decrease in stock		(4,414)	1,317	(4,414)	1,317
(Increase)/decrease in debtors		(97,009)	318,788	(88,389)	321,977
Increase/(decrease) in creditors		(118,286)	(134,016)	(118,437)	(134,225)
Net cash provided by/(used in) operating activities		(225,257)	176,076	(216,788)	179,056

See note 23 for net fund analysis note.

Notes to the Consolidated Accounts for the year ended 31 December 2022

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 2022 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.

Notes to the Consolidated Accounts for the year ended 31 December 2022

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.

Notes to the Consolidated Accounts for the year ended 31 December 2022

2. Analysis of income from generated funds

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Voluntary income:						
Donations	142,458	361,010	503,468	195,379	435,628	631,007
Legacies	702,477	-	702,477	413,967	-	413,967
	844,935	361,010	1,205,945	609,346	435,628	1,044,974
Activities for generating funds:						
Fundraising events	91,051	-	91,051	78,969	-	78,969
Nursing and care (non-primary purpose)	471,308	-	471,308	367,382	-	367,382
Other income	12,491	-	12,491	22,291	-	22,291
	574,850	-	574,850	468,642	-	468,642
Investment income:	172,045	-	172,045	153,590	-	153,590

3a. Analysis of income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Fee Income						
Contributions from residents	2,781,467	-	2,781,467	2,439,835	-	2,439,835
Veterans Agency capitation grant	63,824	-	63,824	67,321	-	67,321
	2,845,291	-	2,845,291	2,507,156	-	2,507,156

3b. Other income

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Other income						
Grants received	-	50,400	50,400	-	86,482	86,482
Coronavirus Job Retention Scheme	-	-	-	3,099	-	3,099
	-	50,400	50,400	3,099	86,482	89,581
TOTAL INCOME	4,437,121	411,410	4,848,531	3,741,833	522,110	4,263,943

Notes to the Consolidated Accounts for the year ended 31 December 2022

4. Analysis of Resources Expended

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Resources expended						
Cost of generating voluntary income	218,875	-	218,875	226,254	-	226,254
Cost of activities for generating funds	71,740	-	71,740	52,620	1,000	53,620
Investment management fees	5,220	-	5,220	5,425	-	5,425
Total cost of generating funds	295,835	-	295,835	284,299	1,000	285,299

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 £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Cost of charitable activities						
Payroll costs	2,874,201	465,156	3,339,357	2,846,426	373,130	3,219,556
Non-payroll costs	1,002,322	539,636	1,541,958	877,931	599,575	1,477,506
Total cost of charitable activities	3,876,523	1,004,792	4,881,315	3,724,357	972,705	4,697,062
TOTAL EXPENDITURE	4,172,358	1,004,792	5,177,150	4,008,656	973,705	4,982,361

Analysis of total resources expended

	Staff costs £	Depreciation £	Other £	2022 Total £	2021 Total £
Provision of residential care					
Provision of services and support costs	3,339,357	490,940	1,051,018	4,881,315	4,697,062
Other expenditure					
Fundraising, publicity and other	210,748	-	85,087	295,835	285,299
Total resources expended	3,550,105	490,940	1,136,105	5,177,150	4,982,361

Analysis of total resources expended for 2021 include provision of residential care staff costs amounting to £3,219,556, depreciation of £499,586 and other costs of £977,920. Other expenditure included staff costs of £216,896 and other costs of £68,403.

Notes to the Consolidated Accounts for the year ended 31 December 2022

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

2022 Total £	2021 Total £
3,173,308	3,084,838
280,758	255,731
-	-
-	-
96,039	95,883
3,550,105	3,436,452

* 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

Occupational Therapy

Physiotherapy

Speech Therapy

Social and Recreation

Support

Fundraisers

Chaplain

Administration

2022 Total	2021 Total
19	20
53	55
7	8
12	13
4	3
2	2
3	3
1	1
2	2
5	4
6	6
1	1
6	5
121	123

Reimbursements of travel expenses, totalling £147.60 were made to one Trustee of Care for Veterans for the year ended 31 December 2022 (2021: £147.60). During the year there were no donations from Trustees made to CfV (2021: None).

The premium for the trustees' indemnity insurance is now included within the combined liability insurance as in 2021.

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

2022 Total	2021 Total
1	-
-	-
1	1

During the year pension contributions of £8,745 (2021: £4,019) 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 £428,176 (2021: £406,184). Included within this amount was £14,644 (2021: £13,541) for contributions to the Work Place Pension scheme operated by the charity.

Notes to the Consolidated Accounts for the year ended 31 December 2022

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 2022, 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:

	2022 %	2021 %
Discount rate	4.80	1.90
Retail Prices Inflation ("RPI")	3.20	3.40
Consumer Prices Inflation ("CPI")	2.70	2.90
Pension increases: RPI, max 5%, min 0%	3.10	3.30

The underlying mortality assumption is based upon the standard table known as S3PxA on a year of birth usage with CMI_2021 future improvement factors and a long-term rate of future improvement of 1.25% p.a. (2021: S3PxA, CMI_2020, 1.25% p.a).

This results in the following life expectancies:

- Male age 65 now has a life expectancy of 86.9 years (2021: 86.9 years)
- Female age 65 now has a life expectancy of 89.3 years (2021: 89.3 years)
- Male age 45 now, retiring at 65, has a life expectancy from 65 of 88.2 years (2021: 88.2 years)
- Female age 45 now, retiring at 65, has a life expectancy from 65 of 90.7 years (2021: 90.7 years)

No allowance has been made at retirement for non-retired members to commute part of their pension for a lump sum in these calculations.

Employee Benefit obligations

The amounts recognised in the balance sheet as at 31 December 2022 (with comparative figures as at 31 December 2021) are as follows:

	2022 £	2021 £
Market value of plan assets	(3,398,000)	(5,095,000)
Present value of plan liabilities	3,398,000	5,162,000
Net defined benefit asset/(liability)	-	67,000

The amounts to be recognised in the consolidated statement of financial activities for the year ending 31 December 2022 (with comparative figures for the years ending 31 December 2021) are as follows:

	2022 £	2021 £
Current service cost		
Administrative expenses	-	-
Interest on net defined benefit (asset)/liability	(2,000)	3,000
Loss/(Gain) recognised	-	-
(Gain)/loss on plan charges	-	-
Curtailement (gain)/loss	-	-
Total	(2,000)	3,000

Notes to the Consolidated Accounts for the year ended 31 December 2022

6. Retirement Benefits

Changes in the present value of the plan liabilities for the year ended 31 December 2022 (with comparative figures for the year ending 31 December 2021) are as follows:

	2022 £	2021 £
Present value of plan liabilities at beginning of period	5,095,000	5,156,000
Current service cost	-	-
Employee contributions	-	-
Benefits paid	(124,000)	(95,000)
Interest on plan liabilities	96,000	66,000
Actuarial (gains)/losses	(1,669,000)	(32,000)
(Gain)/loss on plan changes	-	-
Present value of plan liabilities at end of period	3,398,000	5,095,000

Changes in the fair value of the plan assets for the year ending 31 December 2022 (with comparative figures for the year ending 31 December 2021) are as follows:

	2022 £	2021 £
Market value of plan assets at beginning of period	5,162,000	4,870,000
Contributions paid by the company	124,000	124,000
Employee contributions	-	-
Benefits paid	(124,000)	(95,000)
Administrative expenses	-	-
Interest on plan assets	98,000	63,000
Return on assets, less interest included in Profit & Loss	(1,862,000)	200,000
Market value of Scheme assets at end of period	3,398,000	5,162,000
Actual return on plan assets	(1,764,000)	263,000

The major categories of plan assets as a percentage of total plan assets for the year ending 31 December 2022 (with comparative figures for the year ending 31 December 2021) are as follows:

	2022 %	2021 %
Equities and Property	20	14
Bonds	1	17
Diversified Growth	48	44
Liability Driven Investment ("LDI")	21	18
	10	7
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 2022 (with comparative figures for the year ending 31 December 2021) are as follows:

	2022 £	2021 £
Return on assets, less interest included in Profit & Loss	(1,862,000)	200,000
Expected less actual plan expenses	-	-
Experience gains and losses arising on the plan liabilities	-	-
Changes in assumptions underlying the present value of plan liabilities	1,669,000	32,000
Remeasurement of net defined benefit liability recognised in OCI	(193,000)	232,000

Notes to the Consolidated Accounts for the year ended 31 December 2022

6. Retirement Benefits

Movement in net benefit asset/(liability) during the year ending 31 December 2022 (with comparative figures for the year ending 31 December 2021) are as follows:

	2022 £	2021 £
Net defined benefit asset/(liability) at beginning of year	67,000	(286,000)
Recognised in Statement of Financial Activities	2,000	(3,000)
Contributions paid by Company	124,000	124,000
Remeasurement of net defined benefit liability recognised in OCI	(193,000)	232,000
Net defined benefit asset/(liability) at end of the year	-	67,000

The criteria for the recognition of the surplus as an asset as described in note 1.8 was not met. The actuarial gains on the plan liabilities have therefore been restricted by £328,000 so as not to recognise the surplus.

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

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.

Notes to the Consolidated Accounts for the year ended 31 December 2022

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

Cost

At 1 January 2022

Additions

Disposals

At 31 December 2022

Depreciation

At 1 January 2022

Provided in period

On disposals

At 31 December 2022

Net book value at 31 December 2022

Net book value at 31 December 2021

Freehold property	Plant and equipment	Vehicles	Total
£	£	£	£
8,874,999	1,335,217	114,042	10,324,258
15,146	17,297	-	32,443
(27,855)	-	-	(27,855)
8,862,290	1,352,514	114,042	10,328,846
5,671,637	904,810	81,895	6,658,342
373,903	109,000	8,037	490,940
(15,635)	-	-	(15,635)
6,029,905	1,013,810	89,932	7,133,647
2,832,385	338,704	24,110	3,195,199
3,203,362	430,407	32,147	3,665,916

CHARITY

Cost

At 1 January 2022

Additions

Disposals

At 31 December 2022

Depreciation

At 1 January 2022

Provided in period

On disposals

At 31 December 2022

Net book value at 31 December 2022

Net book value at 31 December 2021

Freehold property	Plant and equipment	Vehicles	Total
£	£	£	£
9,038,269	1,335,217	114,042	10,487,528
15,146	17,297	-	32,443
(27,855)	-	-	(27,855)
9,025,560	1,352,514	114,042	10,492,116
5,671,637	904,810	81,895	6,658,342
373,903	109,000	8,037	490,940
(15,635)	-	-	(15,635)
6,029,905	1,013,810	89,932	7,133,647
2,995,655	338,704	24,110	3,358,469
3,366,632	430,407	32,147	3,829,186

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

Plant and machinery

2022	2021
£	£
5,052	17,177
5,052	17,177

Notes to the Consolidated Accounts for the year ended 31 December 2022

9. Fixed asset investments

Quoted investments

Market value at 1 January 2022

Additions

Disposals

Net realised/unrealised gains

Market value at 31 December 2022

Short term deposits

Investments (Group)

(Historical cost £4,382,492 [2021: £4,147,922])

Investments in group undertakings at 1 January 2022 and at 31 December 2022

Investments (Charity)

(Historical cost £4,382,492 [2021: £4,147,992])

2022 Total £	2021 Total £
4,207,065	3,449,857
1,452,274	499,857
(1,294,119)	-
(425,837)	257,351
3,939,383	4,207,065
299,014	290,970
4,238,397	4,498,035
1	1
4,238,398	4,498,036

Analysed as:

Charity Multi-Asset Fund

Responsible Multi-Asset Fund

2022 Total £	2021 Total £
2,824,506	4,207,065
1,413,891	-
4,238,397	4,207,065

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

Notes to the Consolidated Accounts for the year ended 31 December 2022

10. Stocks

	2022		2021	
	Group £	Charity £	Group £	Charity £
Consumable stores	15,872	15,872	11,458	11,458
Total consumable stores	15,872	15,872	11,458	11,458

11. Debtors

	2022		2021	
	Group £	Charity £	Group £	Charity £
Resident contributions receivable	235,159	167,427	194,475	160,034
Capitation fees receivable	5,421	5,421	5,421	5,421
Legacies receivable	149,203	149,203	86,630	86,630
Income tax recoverable	1,954	1,954	4,998	4,998
Prepayments and other debtors	48,821	48,821	52,025	52,025
Gift aid donations from trading subsidiary	-	7,177	-	7,871
Amounts due from group undertakings	-	58,174	-	32,809
Total debtors	440,558	438,177	343,549	349,788

12a. Creditors: amounts falling due within one year

	2022		2021	
	Group £	Charity £	Group £	Charity £
Trade creditors	81,955	81,955	75,880	75,880
Staff remuneration	50,689	50,689	52,593	52,593
Pension	19,114	19,114	17,896	17,896
Social security and other taxes	61,271	61,271	56,383	56,383
Hire purchase creditor	5,052	5,052	12,125	12,125
Other creditors and accruals	69,124	66,124	71,687	68,838
Total creditors (falling due within one year)	287,205	284,205	286,564	283,715

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

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

	2022		2021	
	Group £	Charity £	Group £	Charity £
Hire purchase creditor	-	-	5,052	5,052
Total creditors (falling due after more than one year)	-	-	5,052	5,052

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

Notes to the Consolidated Accounts for the year ended 31 December 2022

13. General fund

	2022		2021	
	Group £	Charity £	Group £	Charity £
Revenue funds				
At 1 January 2022	4,449,956	4,449,957	4,609,677	4,609,678
Retained surplus/(deficit) for the year	(272,159)	(272,159)	(139,037)	(139,037)
Transfers from/(to) restricted funds	(8,959)	(8,959)	(20,684)	(20,684)
At 31 December 2022	4,168,838	4,168,839	4,449,956	4,449,957

14. Designated and restricted funds

GROUP	Endowment Funds	Designated Capital Funds	Restricted Funds	Total
	£	£	£	£
At 1 January 2022	164,064	3,644,916	436,641	4,245,621
Incoming resources	-	-	411,410	411,410
Expenditure	-	(490,940)	(513,852)	(1,004,792)
Gains/(losses) on investments	(14,915)	-	-	(14,915)
Transfer between funds	-	11,264	(11,264)	-
Transfers from/(to) revenue funds	-	8,959	-	8,959
At 31 December 2022	149,149	3,174,199	322,935	3,646,283

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 **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 £128,149.

CHARITY	Endowment Funds	Designated Capital Funds	Restricted Funds	Total
	£	£	£	£
At 1 January 2022	164,064	3,808,186	436,641	4,408,891
Incoming resources	-	-	411,410	411,410
Expenditure	-	(490,940)	(513,852)	(1,004,792)
Gains/(losses) on investments	(14,915)	-	-	(14,915)
Transfer between funds	-	11,264	(11,264)	-
Transfers from/(to) revenue fund	-	8,959	-	8,959
At 31 December 2022	149,149	3,337,469	322,935	3,809,553

Notes to the Consolidated Accounts for the year ended 31 December 2022

15. Analysis of movements in restricted funds

	Balance at 1 January 2022	Income	Expenditure	Transfers	Funds 31 December 2022
	£	£	£	£	£
Wifi and IT equipment	-	9,946	(731)	(9,215)	-
Greenhouse and Gardening	27,308	1,750	(25,203)	-	3,855
Chaplaincy costs	3,000	3,500	(3,207)	-	3,293
CFV choir costs	45	-	-	-	45
Sporting chances for disabled veterans	21,049	-	(19,000)	(2,049)	-
Mixed rehabilitation related costs	342,951	336,518	(389,991)	-	289,478
Green Project - Solar panels & maintenance	8,537	-	(2,829)	-	5,708
Lift replacement and maintenance	6,849	-	(2,280)	-	4,569
Richmond Wing extension	6,221	-	(6,221)	-	-
Hospital equipment - general	15,851	9,296	(12,660)	-	12,487
Green Projects - Electric Vehicle	4,830	-	(1,330)	-	3,500
Covid-19 help grants	-	50,400	(50,400)	-	-
	436,641	411,410	(513,852)	(11,264)	322,935

Analysis of movements in restricted funds - previous year

	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	(14,250)	(14,958)	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	(7,684)	(6,334)	15,851
Green Projects - Electric Vehicle	43,678	3,500	(2,165)	(40,183)	4,830
Occupational Therapy Equipment	1,600	-	(1,600)	-	-
Covid-19 help grants	-	86,482	(86,482)	-	-
	450,126	522,110	(474,120)	(61,475)	436,641

Name of restricted fund

Sporting chances for disabled veterans
Greenhouse and gardening
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 help grants
CFV choir costs
Chaplaincy costs

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
Replacement of hospital equipment
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
Small donations towards running costs for CfV choir
To provide for chapel services and costs

Notes to the Consolidated Accounts for the year ended 31 December 2022

16. Analysis of net assets between funds

GROUP	Tangible Fixed Assets	Investments	Net Current Assets	Debtors due >1year	Creditors due >1year	Total
	£	£	£		£	£
Designated funds						
Endowment funds (including unrealised losses of £14,915) (2021: Gains £8,566))	21,000	128,149	-	-	-	149,149
Capital fund	3,174,199					3,174,199
	3,195,199	128,149	-	-	-	3,323,348
Revenue funds						
Restricted fund	-	-	322,935	-	-	322,935
Unrestricted fund (including unrealised losses of £479,436 (2021: Gains £248,785))	-	4,110,248	58,590	-	-	4,168,838
Pension fund asset	-	-	-	-	-	-
	-	4,110,248	381,525	-	-	4,491,773
	3,195,199	4,238,397	381,525	-	-	7,815,121

CHARITY	Tangible Fixed Assets	Investments	Net Current Assets	Debtors due >1year	Creditors due >1year	Total
	£	£	£		£	£
Designated funds						
Endowment funds (including unrealised losses of £14,915) (2021: Gains £8,566))	21,000	128,149	-	-	-	149,149
Capital fund	3,337,469	-	-	-	-	3,337,469
	3,358,469	128,149	-	-	-	3,486,618
Revenue funds						
Restricted fund	-	-	322,935	-	-	322,935
Unrestricted fund (including unrealised losses of £479,436 (2021: Gains £248,785))	-	4,110,249	58,590	-	-	4,168,839
Pension fund asset	-	-	-	-	-	-
	-	4,110,249	381,525	-	-	4,491,774
	3,358,469	4,238,398	381,525	-	-	7,978,392

Notes to the Consolidated Accounts for the year ended 31 December 2022

17. Capital commitments

There were no capital commitments at 31 December 2022 (2021: None). No other commitments had been made at 31 December 2022 (2021: 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 (2021: 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 2022 were as follows:

	2022	2021
	£	£
Turnover	471,308	367,382
Cost of sales	460,714	356,322
	10,594	11,060
Other operating income and charges	3,417	3,189
Profit/(loss) on ordinary activities before taxation	7,177	7,871
Appropriation to holding company (Gift aid)	(7,177)	(7,871)
(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 £265,762 (2021: deficit £726,289) which is dealt with in the financial statements of the charity.

Notes to the Consolidated Accounts for the year ended 31 December 2022

21. Grants/ Donations receivable

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

Funder	Project	2022 Amount £
James Tudor foundation	Physiotherapy	11,672
ABF Soldiers' Charity	Mixed rehabilitation services	133,827
Inman Charity	Mixed rehabilitation services	4,000
Armed Forces Covenant Fund Trust	Mixed rehabilitation services	9,498
Armed Forces Covenant Fund Trust	Sporting chances	1,750
Trinity House	Mixed rehabilitation services (two amounts)	11,000
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
RAF Benevolent Fund	Operational activities	18,000

22. Analysis of governance

	Basis of apportionment	2022 £	2021 £
Salaries, wages and related costs	Time apportionment	24,156	23,260
Insurance	Governance	-	-
Audit fees - charity	Governance	12,449	11,970
Audit fees - subsidiary company	Governance	3,000	2,850
Total governance		39,605	38,080

23. Analysis of changes in net funds

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	748,256	(280,021)	468,235
Cash equivalents	-	-	-
Bank overdrafts	-	-	-
	748,256	(280,021)	468,235
Loans falling due after more than one year	-	-	-
Obligations under finance leases	(29,301)	12,125	(17,176)
Derivatives relating to debt	-	-	-
	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:

	2022 £	2021 £
Within one year	6,431	6,431
Between two and five years	23,043	23,043
	29,474	29,474



Care for
Veterans

The Queen Alexandra Hospital Home since 1919





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