

**THE RELATIVES AND RESIDENTS ASSOCIATION**  
(A company limited by guarantee)

**DIRECTORS AND TRUSTEES REPORT  
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**Company Number: 02813362**  
**Charity Number: 1020204**

**THE RELATIVES AND RESIDENTS ASSOCIATION**  
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS**

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# **THE RELATIVES AND RESIDENTS ASSOCIATION**

(A company limited by guarantee)

## **DIRECTORS' AND TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OUR PURPOSE AND ACTIVITIES**

Our purpose and activities remain those inspired by Dorothy White O.B.E., our founder.

The R&RA continues, in the words of our governing document, to 'assist in achieving and maintaining the highest possible standards of care for older people' by:

- providing a first-class helpline, staffed by experienced and empathetic staff
- empowering older people, their relatives and friends by giving them information and advice
- supporting older people, their relatives and friends to challenge poor care through our casework
- using the unique perspectives and experiences of our helpline clients to inform policy makers, regulators, the media and others
- challenging policies which affect the human rights of older people or the ability of their relatives and friends to represent them
- championing quality of life, and higher and better standards
- providing information resources for older people, their relatives and friends, care workers and providers
- making the case for better quality care by supporting mandatory training and improved conditions for care workers
- seeking better and more effective regulation
- working in partnership with others

The charity's independent status means that we are a trusted, reliable and impartial source of information and support to our beneficiaries. This applies not only to those who we support but also to Government, regulators, providers, researchers and the media. The essence of the R&RA role lies in enabling and empowering relatives and friends to make a difference to the quality of life and outcomes for the older people they care about.

Our impartiality is invaluable in helping to remove the friction from the interaction with the key person or organisation. This enables us to help by informing and mediating. We are able to demonstrate our knowledge and experience of the relevant law, regulations and guidance to those making care decisions which helps us to engage positively with them. We interact with providers, commissioners and regulators, as appropriate, in the interests of those in receipt of care and their families and friends. We regularly help to suggest solutions and solve problems with them or on their behalf as well-informed and experienced intermediaries.

#### **KEY DEVELOPMENTS IN THE LAST YEAR**

The coronavirus pandemic, and measures taken to manage it, have had a devastating impact on older people needing care and the relatives and friends who support them. It has also had a major impact on R&RA as an organisation. We have had to adapt our working practices to work at home and to cope with the subsequent pressures of the pandemic. We saw increased demand for our helpline, an increase in policy, media and campaigns work in response to the pandemic and our profile grew substantially. We have continued throughout to ensure that our vital services were available to support as many families as possible during this difficult time. The pandemic led to delays in finalising our lease, which was signed in December 2020.

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**DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**ACHIEVEMENTS AND PERFORMANCE**

This year has seen many challenges for R&RA to which our director and staff have responded with resilience, commitment and intelligence.

**Helpline**

Our helpline remains at the heart of all we do. It supplies information, advice and support to clients with questions or concerns about older people needing care, via phone, email, webchat or post. We saw increased demand for the helpline during the pandemic, with some clients seeking support throughout the year. The lack of access for relatives/friends in care settings and the impact this had on residents' wellbeing became the key issue. Too many are afraid to speak out to raise this or other concerns about care due to fear of reprisals (including, ultimately, eviction). The power imbalance is so vast and people using services are placed in such a vulnerable position, they are afraid to rock the boat. The pandemic brought many new concerns to our helpline, including lack of protection for residents and staff (lack of PPE, testing etc). Existing problems have also been exacerbated, including staffing levels, lack of training, and lack of benefits (such as adequate sick pay).

**Helpline data in percentages**

	2020/21	2019/20
<b>Problems with care</b>		
• Care concerns	31%	30%
• Human rights	22%	15%
• Evictions	0.5%	1%
• Poor management	15%	14%
<b>Total</b>	<b>68.5%</b>	<b>60%</b>
<b>Other</b>		
• Financial	6%	9%
• Admission	12.5%	7%
• Legal	7.5%	13%
• General	5.5%	11%
<b>Total</b>	<b>31.5%</b>	<b>40%</b>

**Influencing public, political and professional opinion**

**Work with CQC**

In May 2020 we wrote to the Care Quality Commission to express our disappointment with the role they have taken during the pandemic. The letter urged CQC to urgently reconsider their approach to ensure the rights of people using care services were protected. Unfortunately, this did not happen and we wrote again to the CQC in May 2021 to urge them to act.

**Policy and parliamentary work**

We submitted evidence and insights from our helpline directly to Parliament and policy makers, to raise concerns about the rights of older people needing care during the pandemic, including:

- Written and oral evidence to the Joint Committee on Human Rights inquiries on the pandemic and on visiting
- Written and oral evidence to the APPG on Coronavirus
- Joined three open letters to Prime Minister including on reopening care homes

**Campaign to End Isolation In Care**

In September 2020 we launched a campaign to End Isolation In Care calling for residents to be reunited with their families and friends, engaging our members, supporters and social media followers. We also worked closely with other organisations, including a joint statement calling for homes to reopen and providing a statement of support for legal action against the Department of Health and Social Care on the legality of visiting guidance (taken by John's Campaign).

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**DIRECTORS' AND TRUSTEES' REPORT (Cont'd)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**Media**

R&RA made over 200 media appearances during the year, including interviews across the major TV news channels, radio and in print. Our profile grew substantially, including across social media.

**Volunteers and Consultants**

We have continued to benefit from the generous contributions to the charity of excellent volunteers and consultants: Janice Gardner, Sue Toole, Francesca Grandi, Susan Hayes, Ernest Muller, Georges Olivier, Bob Walters, David Watson and Adrian Wimbleton. They have all made valuable contributions to our work throughout the year.

**Staff and Trustees**

As usual, thanks are due to our superb staff and director and the combined efforts of the Trustees who have made our work possible this year.

**Public benefit statement**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a Charity (PD2)'. The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

**FINANCIAL REVIEW**

The Statement of Financial Activities showed a net surplus of £950,750 (2020 – net deficit of £683,031) for the year and reserves stand at £3,281,278 (2020 - £2,330,528). The result for the year includes investment gains of £1,036,230 (2020 – losses £690,886). The financial position at the year revealed by the Balance Sheet on page 10 shows net current assets or working capital of £319,536 (2020 – £382,106). The net book value of tangible fixed assets held, all of which are used directly for charitable purposes, amounted to £1,046 (2020 – £1,569). The market value of investments was £2,960,696 (2020- £1,946,853).

**Principal funding sources**

The main funding sources for the Charity are investment income derived from a generous legacy together with grants from charitable foundations, bequests, contract work, membership, and sales of resources. Additionally, it is anticipated that capital appreciation will also contribute to any shortfall of expenditure over income.

**Reserves policy**

The trustees have reviewed the reserves of the charity and its basic aim remains as in previous years to build and maintain in hand at all times unrestricted general funding reserves equivalent to not less than three to six months operating costs. The trustees regard this as the prudent minimum level for continuing normal operations while income and expenditure both inevitably fluctuate. As at the year end, financial statements showed reserves of £3,281,278 (2020 - £2,330,528), of which £12,347 (2020 - £12,347) was restricted. In addition, the Trustees have set aside designated funds totalling £208,236 (2020 - £221,225) for specific purposes of staff contingency, publications, and premises lease. The unrestricted funds not designated or invested in tangible fixed assets were £3,059,649 (2020 - £2,095,387).

The funds received from Lampard Watt bequest in 2017/18 are unrestricted. The trustees have determined to keep them separately identified from the charity's general reserves, at least in the short to medium term; in part as an investment reserve within general funds to provide a regular return to support its operating activities. It was agreed that in the short to medium term the returns on the cash deposits if added to the investments would provide regular additional income to support operating activities. It is anticipated that this will provide investment income that will more closely match our expenses in the following year once invested. The market value of this investment as at 31 March 2021 was £2,960,696 (2020 - £1,946,853).

**THE RELATIVES AND RESIDENTS ASSOCIATION**  
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**DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**Investment powers and policy**

Under its Memorandum and Articles of Association, the Charity has the power to invest in any way the trustees think fit for the investment of charitable funds.

On 14 December 2017 the trustees adopted a formal Investment Policy for the management of the Lampard Watt investment reserve which has been agreed with and implemented by the appointed investment advisers and managers, Charles Stanley & Co. Short term cash reserves are invested on deposit with banks or institutions approved for the purpose of holding charity funds.

**FUTURE ACTIVITIES**

The coronavirus pandemic, and measures taken to manage it, continue to have a devastating impact on older people needing care and the relatives and friends who support them. Restrictions persist in care settings and our helpline continues to support families whose rights are being breached through lack of contact and the resulting detrimental impact on older people's wellbeing. Our campaign will continue until restrictions are lifted and we see an end to closed cultures and isolation in care. We will also push for comprehensive reform of the care sector so that older people receive the care they need from a system which is appropriately funded, staffed and valued.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Relatives and Residents Association (the word 'Limited' being omitted by licence from the then Department of Trade) is a Charity, which is registered under the Companies Act 2006 as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 28<sup>th</sup> April 1993 and became a registered Charity on 30<sup>th</sup> April 1993. It is constituted as a company limited by guarantee under the Memorandum and Articles of Association. The Charity registration number is 1020204 and the company registration number is 02813362.

**Recruitment and appointment of trustees**

All trustees are elected for three years, with one third being subjected to election each year at the Annual General Meeting. The officers are subject to election each year.

The trustees are also the Directors of the company. The trustees in office in the year are set out on page 6. Due to coronavirus restrictions no AGM was held in this year and no trustees elected. An AGM was held on 22 July 2021 which dealt with annual reports and financial statements for 2019 and 2020 and elected five new trustees.

The trustees have no beneficial interest in the company other than as members.

**Organisation**

The trustees meet regularly in order to manage the affairs of the Charity. The Executive Committee meet more frequently to deal with operational, personnel and finance issues. Day to day running of the Charity is the responsibility of the Chair and Chief Executive who manages the staff and reports regularly to the Executive Committee and Board of Trustees.

**Related parties**

The Charity works collaboratively with several other voluntary and not-for-profit organisations in pursuing its charitable activities.

**Risk management**

Systems are established to mitigate any major risks to which the Charity is exposed. An Audit and Risk Committee has been established to monitor risks and has created a risk register.

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**DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**Charitable and political donations**

During the year the company made no political or charitable donations.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Number:** 02813362

**Charity Number:** 1020204

**Trustees / directors:** Ms Judy Downey – Chair  
Ms Patricia Davies – Deputy Chair  
Mr Nariman Ghandhi – Treasurer  
Mr Richard Hawes  
Mr Desmond Kelly  
Dr Susan Chesters – Resigned 14/04/2021  
Ms Veronica Monks – Resigned 22/04/2021  
Ms Susan Midha – Appointed 22/07/2021  
Mr Peter Storey – Appointed 22/07/2021  
Mr Stephen Burke – Appointed 22/07/2021  
Ms Susan Redmond – Appointed 22/07/2021  
Ms Samantha Williamson – Appointed 22/07/2021

**Senior Management:** Ms Helen Wildbore - Chief Executive Officer

**Registered Office:** Unit 6, Aztec Row, 1 Berners Road, London, England, N1 0PW

**Independent Examiner:** David Terry FCA, Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA

**Bankers:** The Co-operative Bank Plc., P.O. Box 250, Delf House, Southway, Skelmersdale WN8 6WT  
Aldermore Bank, 1st Floor, Block B, Western House, Lynch Wood, Peterborough, PE2 6FZ  
Charity Bank, Fosse House, 182 High Street, Tonbridge TN9 1BE  
Nationwide, Nationwide House, Pipers Way, Swindon SN38 1NW

**Investment Managers:** Charles Stanley & Co. Ltd, 55 Bishopgate, London EC2N 3AS

**THE RELATIVES AND RESIDENTS ASSOCIATION**  
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**DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**Trustees' responsibilities in relation to the financial statements**

The trustees (who are also directors of The Relatives and Residents Association for the purposes of company law) are responsible for preparing the trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping 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 safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for 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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees and signed on its behalf by:



**PATRICIA DAVIES**  
**DEPUTY CHAIR**

**25 November 2021**



# **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE RELATIVES AND RESIDENTS ASSOCIATION**

I report on the financial statements of the charitable company for the year ended 31 March 2021.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

## **Respective responsibilities and basis of report**

As the charity's trustees of the charitable company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the financial statements of the charitable company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

## **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the financial statements do not accord with such records; or
- the financial statements do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**D TERRY – CHARTERED ACCOUNTANT  
RAMON LEE LTD  
93 TABERNACLE STREET  
LONDON EC2A 4BA**

**25 November 2021**

**THE RELATIVES AND RESIDENTS ASSOCIATION**  
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**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 MARCH 2021**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	Notes	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<b>Income</b>					
Grants, donations and legacies	2	9,885	18,671	28,556	46,976
Income from charitable activities	3	50,176	-	50,176	50,484
Investment income	4	40,340	-	40,340	78,061
<b>Total income</b>		<u>100,401</u>	<u>18,671</u>	<u>119,072</u>	<u>175,521</u>
<b>Expenditure</b>					
Costs of generating funds	5	25,876	-	25,876	21,568
Expenditure on charitable activities	5	160,005	18,671	178,676	146,098
<b>Total expenditure</b>		<u>185,881</u>	<u>18,671</u>	<u>204,552</u>	<u>167,666</u>
<b>Net income/(expenditure) and net movement in funds before gains and losses on investments</b>		(85,480)	-	(85,480)	7,855
<b>Net gains/(losses) on investments</b>	7	1,036,230	-	1,036,230	(690,886)
<b>Net movement in funds</b>		<u>950,750</u>	<u>-</u>	<u>950,750</u>	<u>(683,031)</u>
<b>Reconciliation of funds</b>					
Total funds, brought forward		2,318,181	12,347	2,330,528	3,013,559
<b>Total funds, carried forward</b>		<u>3,268,931</u>	<u>12,347</u>	<u>3,281,278</u>	<u>2,330,528</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the above two financial years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the above movement in funds for the above two financial years.

The notes on pages 11 to 22 form part of these financial statements

**THE RELATIVES AND RESIDENTS ASSOCIATION**  
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**BALANCE SHEET AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible fixed assets	11	1,046		1,569	
Investments	12	<u>2,960,696</u>	2,961,742	<u>1,946,853</u>	1,948,422
<b>Current assets</b>					
Debtors	13	22,609		28,825	
Cash at bank and in hand		<u>306,958</u>		<u>370,134</u>	
		329,567		398,959	
<b>Liabilities</b>					
Creditors falling due within one year	14	<u>(10,031)</u>		<u>(16,853)</u>	
<b>Net Current Assets</b>			319,536		382,106
<b>Net assets</b>			<u>3,281,278</u>		<u>2,330,528</u>
<b>The funds of the charity:</b>					
Unrestricted funds:					
General	15		3,060,695		2,096,956
Designated	15		208,236		221,225
Restricted funds	15		<u>12,347</u>		<u>12,347</u>
<b>Total charity funds</b>			<u>3,281,278</u>		<u>2,330,528</u>

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements were approved by the Board of Directors and Trustees on 25 November 2021 and were signed on its behalf by:



..... PATRICIA DAVIES (DEPUTY CHAIR)

Company No: 02813362

The notes on pages 11 to 22 form part of these financial statements

**THE RELATIVES AND RESIDENTS ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements of the charitable company, which is a public benefit under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements.

**1.2 Preparation of financial statements on a going concern basis**

The Charity's Financial Statements shows a net surplus of £950,750 (2020 – net deficit of £683,031) including an investment revaluation profit of £850,915 (2020 – revaluation loss of £748,011) for the year and free reserves of £3,059,649 (2020 - £2,095,387). The total expenditure for the year was £204,552 (2020 - £167,666). The trustees are of the view that these results have secured the immediate future of the Charity for the next 12 to 18 months and on this basis the Charity is a going concern.

**1.3 Income recognition**

All income is included in the consolidated SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

**Grant income**

Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

**Donations and legacies**

Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

**Contract income**

Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract.

**Investment income**

Investment income is included when receivable.

**1.4 Volunteers and donated services, facilities and goods**

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Charity is not recognised in the main body of the financial statements but detail is contained in the trustees report.

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**NOTES TO THE FINANCIAL STATEMENTS (Cont/d)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

On receipt, donated professional services, donated facilities and goods are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**1.5 Expenditure recognition and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- (a) Costs of raising funds comprise the costs of seeking grants and donations and other trading activities that raise funds and their associated support costs.
- (b) Expenditure on charitable activities include expenditure associated with the main objectives of the Charity and include both direct costs and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**1.6 Allocation of support costs**

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance and administration personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 6.

**1.7 Funds structure**

- The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the management board.
- Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose.
- The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

**1.8 Operating leases**

The Charity classifies the lease of property as an operating lease. The rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease duration. No assets are held under hire purchase agreements.

**1.9 Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful life on the following basis:

Computer equipment	25% on cost
Office equipment	25% on cost

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**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

**FOR THE YEAR ENDED 31 MARCH 2021**

**1.10 Realised / unrealised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial period. Unrealised gains and losses are calculated as the difference between the fair value at the period end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**1.11 Investments**

Investments comprise assets held to generate future income and include cash balances. All investments assets are shown on the balance sheet at market value at the balance sheet date. The market value has been determined by the Independent Investment Portfolio Managers. Realised gains and losses arising on the revaluation of investment assets are included in the Statement of Financial Activities.

The Charity does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**1.12 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.

**1.13 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term cash deposits.

**1.14 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.

**1.15 Financial Instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.16 Judgement and key sources of estimation uncertainty**

In the application of the Charity's accounting policies, the Charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**1.17 Taxation**

The Charity is a registered Charity and, therefore, is not liable to Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

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**FOR THE YEAR ENDED 31 MARCH 2021**

**1.18 Cash flow statement**

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by SORP (FRS 102), not to prepare a cash flow statement.

**2. GRANTS, DONATIONS AND LEGACIES**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
CSIS Charity Fund	-	4,463	4,463	33,871
The National Lottery Community Fund	-	9,950	9,950	-
Jean Madeline Bayliss - Legacy	6,904	-	6,904	-
Anonymous Trust	-	4,258	4,258	9,434
Other donations under £1,000	2,981	-	2,981	3,671
	<u>9,885</u>	<u>18,671</u>	<u>28,556</u>	<u>46,976</u>

The donations and legacies income in 2020 totalling £46,976 was attributed to unrestricted funds of £18,671 and restricted funds of £28,305.

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<b>Helpline activities</b>				
Contract Income:				
Care Quality Commission	23,535	-	23,535	29,916
	<u>23,535</u>	<u>-</u>	<u>23,535</u>	<u>29,916</u>
<b>Resources</b>				
Resources sales	164	-	164	1,647
Grants and donations:				
Individuals - Donations in kind	15,900	-	15,900	7,000
	<u>16,064</u>	<u>-</u>	<u>16,064</u>	<u>8,647</u>
<b>Membership services</b>				
Membership fees	10,577	-	10,577	11,921
	<u>10,577</u>	<u>-</u>	<u>10,577</u>	<u>11,921</u>
<b>Total income from charitable activities</b>	<u>50,176</u>	<u>-</u>	<u>50,176</u>	<u>50,484</u>

The income from charitable activities in 2020 totalling £50,484 was attributed to unrestricted funds.

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**3. INCOME FROM CHARITABLE ACTIVITIES (Cont/d)**

The charity is indebted to a number of individuals for providing the pro bono services throughout the year. The aggregate value placed on these contributions by the trustees for the year is £15,900 (2020 - £7,000). The income equivalents are recognised within income from charitable activities as donations, and corresponding charges included within expenditure as other direct costs and support & governance costs.

**4. INVESTMENT INCOME**

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Bank deposit interest	3,342	-	3,342	14,410
Dividend income	36,998	-	36,998	63,651
	<u>40,340</u>	<u>-</u>	<u>40,340</u>	<u>78,061</u>

The investment income in 2020 totalling £78,061 was attributed to unrestricted funds.

**5. ANALYSIS OF EXPENDITURE**

	Raising Funds £	Projects & development £	Helpline activities £	Policy & campaigns £	Membershi p services £	Conference s, events & training £	2021 £	2020 £
Staff costs	1,598	4,813	73,303	15,914	1,553	1,254	98,435	73,736
Volunteer expenses	-	-	-	-	-	-	-	296
Other direct costs	-	10,596	7,980	200	-	-	18,776	12,531
Investment management fees	22,484	-	-	-	-	-	22,484	16,046
Support costs (Note 6)	1,446	3,305	39,251	6,611	1,033	620	52,266	56,922
Governance costs (Note 6)	348	796	9,456	1,593	249	149	12,591	8,135
	<u>25,876</u>	<u>19,510</u>	<u>129,990</u>	<u>24,318</u>	<u>2,835</u>	<u>2,023</u>	<u>204,552</u>	<u>167,666</u>

Of the £204,552 expenditure in 2021 (2020 - £167,666), £185,881 was charged to unrestricted funds (2020 - £136,708) and £18,671 to restricted funds (2020 - £30,958).



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**6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between the Charity's key activities undertaken (see note 5) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of staff time allocated to each activity.

	General support	Governance function	2021	2020
	£	£	£	£
General office staff costs	5,965	-	5,965	6,519
Management staff costs	8,204	8,790	16,994	7,742
Premises and office costs	19,894	-	19,894	34,620
Communication costs	2,119	-	2,119	2,182
Information technology	2,846	-	2,846	2,496
Professional expenses	10,254	720	10,974	6,029
Insurance	1,049	-	1,049	1,000
Depreciation	523	-	523	523
Miscellaneous expenses	1,412	-	1,412	486
Trustees expenses	-	81	81	580
Independent examination fees	-	3,000	3,000	2,880
	<u>52,266</u>	<u>12,591</u>	<u>64,857</u>	<u>65,057</u>

**7. GAINS / (LOSSES) ON INVESTMENT ASSETS**

	Unrestricted Funds	Restricted Funds	2021	2020
	£	£	£	£
Realised gain on sale of investment	185,315	-	185,315	57,125
Unrealised gains/(losses) on year end valuation	850,915	-	850,915	(748,011)
	<u>1,036,230</u>	<u>-</u>	<u>1,036,230</u>	<u>(690,886)</u>

**8. NET INCOME/(EXPENDITURE) FOR THE YEAR**

	2021	2020
	£	£
Net movement in funds is shown after charging:		
Independent examination fees	3,000	2,880
Operating lease rent	6,650	30,623
Depreciation on tangible fixed assets	<u>523</u>	<u>523</u>

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**FOR THE YEAR ENDED 31 MARCH 2021**

**9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL**

	2021	2020
	£	£
<b>STAFF COSTS</b>		
Salaries	109,426	79,768
National Insurance	7,464	5,008
Pension	4,504	3,220
	<u>121,394</u>	<u>87,996</u>

There were no employees whose annual emoluments were £60,000 or more.

During the year no trustees received any remuneration (2020 - £Nil). One trustee received reimbursement of travel expenses amounting to £81 (2020 - Four trustees £501).

The key management personnel of the charity comprise the Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £58,600 (2020 - £25,806).

**10. STAFF NUMBERS**

The average weekly equivalent full-time number of staff employed by the Charity during the period was as follows:

	2021	2020
Direct charitable work	3.0	2.5

The average monthly number of persons employed by the charity during the year was 3 (2020 - 3).

**11. TANGIBLE FIXED ASSETS**

	2021	2020
	£	£
<b>NET BOOK VALUES</b>		
Computer equipment	1,045	1,568
Office equipment	1	1
	<u>1,046</u>	<u>1,569</u>

**MOVEMENTS IN YEAR**

<u>Cost</u>	Opening Balances £	Additions £	Disposals £	Closing Balances £
Computer equipment	3,556	-	-	3,556
Office equipment	3,000	-	-	3,000
	<u>6,556</u>	<u>-</u>	<u>-</u>	<u>6,556</u>

**Depreciation**

	Opening Balances £	Charge For Year £	Disposals £	Closing Balances £
Computer equipment	1,988	523	-	2,511
Office equipment	2,999	-	-	2,999
	<u>4,987</u>	<u>523</u>	<u>-</u>	<u>5,510</u>

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**FOR THE YEAR ENDED 31 MARCH 2021**

**12. INVESTMENTS**

	2021 £	2020 £
Market value, brought forward	1,938,492	1,448,049
Additions	497,081	1,655,980
Disposals	(520,906)	(474,651)
Realised gain	185,315	57,125
Unrealised gains/(losses)	850,915	(748,011)
	<u>2,950,898</u>	<u>1,938,492</u>
Market value, carried forward		
Cash held as part of portfolio	9,798	8,361
Total investments	<u>2,960,696</u>	<u>1,946,853</u>
Historic cost	<u>2,849,975</u>	<u>2,718,153</u>

All of the above investments are allocated as follows:

Investments at fair value comprises:

UK equities	2,169,579	1,447,135
Overseas equities	781,319	491,357
Cash held within the investment portfolio	9,798	8,361
	<u>2,960,696</u>	<u>1,946,853</u>

**13. DEBTORS**

	2021 £	2020 £
Grant and contract debtors	8,505	21,121
Gift aid tax receivable	391	1,174
Prepayments	9,497	905
Other debtors	4,216	5,625
	<u>22,609</u>	<u>28,825</u>

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**14. CREDITORS: amounts falling due within one year**

	2021 £	2020 £
Trade creditors	750	2,367
Taxation and social security	-	2,833
Accruals	9,281	2,933
Deferred income (note 17)	-	8,720
	<u>10,031</u>	<u>16,853</u>

**15. ANALYSIS OF CHARITABLE FUNDS**

	Balance at 01.04.20 £	Income £	Expenditure £	Gains/ (Losses) £	Transfers £	Balance at 31.03.21 £
<b>Restricted Funds:</b>						
CSIS Charity Fund - Audiology resource	12,347	-	-	-	-	12,347
CSIS Charity Fund	-	4,463	4,463	-	-	-
The National Lottery Community Fund	-	9,950	9,950	-	-	-
Anonymous Trust	-	4,258	4,258	-	-	-
<b>Total restricted funds</b>	<u>12,347</u>	<u>18,671</u>	<u>18,671</u>	<u>-</u>	<u>-</u>	<u>12,347</u>
<b>Unrestricted funds:</b>						
<b>Designated Funds:</b>						
Staff Commitment Fund	31,823	-	-	-	-	31,823
Publications Fund	16,822	-	3,307	-	-	13,515
Premises Lease	172,580	-	9,682	-	-	162,898
	<u>221,225</u>	<u>-</u>	<u>12,989</u>	<u>-</u>	<u>-</u>	<u>208,236</u>
General funds	2,096,956	100,401	172,892	1,036,230	-	3,060,695
<b>Total unrestricted funds</b>	<u>2,318,181</u>	<u>100,401</u>	<u>185,881</u>	<u>1,036,230</u>	<u>-</u>	<u>3,268,931</u>
<b>Total funds:</b>	<u>2,330,528</u>	<u>119,072</u>	<u>204,552</u>	<u>1,036,230</u>	<u>-</u>	<u>3,281,278</u>

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**FOR THE YEAR ENDED 31 MARCH 2021**

**15. ANALYSIS OF CHARITABLE FUNDS (Cont/d)**

**Analysis of charitable funds – previous year**

	Balance at 01.04.19	Income	Expenditure	Gains/ (Losses)	Transfers	Balance at 31.03.20
	£	£	£	£	£	£
<b>Restricted Funds:</b>						
CSIS Charity Fund - Audiology resource	15,000	-	2,653	-	-	12,347
CSIS Charity Fund	-	18,871	18,871	-	-	-
Anonymous Trust	-	9,434	9,434	-	-	-
<b>Total restricted funds</b>	<b>15,000</b>	<b>28,305</b>	<b>30,958</b>	<b>-</b>	<b>-</b>	<b>12,347</b>
<b>Unrestricted funds:</b>						
<b>Designated Funds:</b>						
Staff Commitment Fund	9,823	-	-	-	22,000	31,823
Publications Fund	20,173	-	3,351	-	-	16,822
Premises Lease	-	-	-	-	172,580	172,580
	<b>29,996</b>	<b>-</b>	<b>3,351</b>	<b>-</b>	<b>194,580</b>	<b>221,225</b>
<b>General funds</b>	<b>2,968,563</b>	<b>147,216</b>	<b>133,357</b>	<b>(690,886)</b>	<b>(194,580)</b>	<b>2,096,956</b>
<b>Total unrestricted funds</b>	<b>2,998,559</b>	<b>147,216</b>	<b>136,708</b>	<b>(690,886)</b>	<b>-</b>	<b>2,318,181</b>
<b>Total funds:</b>	<b>3,013,559</b>	<b>175,521</b>	<b>167,666</b>	<b>(690,886)</b>	<b>-</b>	<b>2,330,528</b>

**Description, nature and purpose of restricted funds:**

**National Lottery Fund** – This funding is towards helpline costs and sharing insights from our helpline clients by publishing a series, Your Covid Stories, on our website.

**CSIS Charity Fund – Audiology resource** – This funding is for the development of a resource on caring for older people with hearing difficulties or impairments. Work on this project has begun and it is intended to be completed and the funds fully applied as soon as practicable.

**CSIS Charity Fund** - Grant income received towards the cost of succession planning.

**Anonymous Trust** - Grant income received towards the cost of succession planning.

**Description, nature and purpose of unrestricted funds:**

**Unrestricted Funds - General:** General Funds represents the balance of the unrestricted funds available to be applied as the trustees in their discretion think fit towards attaining the charitable objects and purposes of the Association after allowing for all the designated funds.

The Lampard Watt bequest had a major effect on the Association's funding. The funds received are unrestricted. The trustees have determined to keep them separately identified from the Association's general funding reserves, at least in the short to medium term; in part as an investment reserve to provide a regular return to support its operating activities. The Lampard Watt investment was valued at £2,960,696, per quoted investment valuation at 31 March 2021 (2020 - £1,946,853)

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**15. ANALYSIS OF CHARITABLE FUNDS (Cont/d)**

**Unrestricted Funds - Designated:**

**Staff Commitment Fund** - Represents the association's provision for the cost of payments due to staff if redundancy notices had to be issued. This is purely contingent and no actual liability is expected to arise in the period.

**Publications funding reserve** - This funding represents the balance in hand of unrestricted funding grants (in particular from the CSIS Charity Fund) intended to support development and maintenance of the association's new resources to support care workers and relatives.

**Premises lease:** To cover premises commitments of £34,020 per annum for five years for rent, service charge and business rates.

**16. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS**

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	1,046	-	-	1,046
Investments	2,960,696	-	-	2,960,696
Net current assets	98,953	208,236	12,347	319,536
	<u>3,060,695</u>	<u>208,236</u>	<u>12,347</u>	<u>3,281,278</u>

**Analysis of fund balances between net assets – previous year**

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	1,569	-	-	1,569
Investments	1,946,853	-	-	1,946,853
Net current assets	148,534	221,225	12,347	382,106
	<u>2,096,956</u>	<u>221,225</u>	<u>12,347</u>	<u>2,330,528</u>

**17. DEFERRED INCOME**

	2021 £	2020 £
Balance as at 1st April	8,720	37,026
Amount released to income in the year	(8,720)	(28,306)
Amount deferred in the year	-	-
Balance as at 31st March	<u>-</u>	<u>8,720</u>

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**18. SHARE CAPITAL**

The company is limited by guarantee and does not have a share capital divided by shares.

**19. OTHER FINANCIAL COMMITMENTS**

The Charity has operating lease commitments as shown below:

	2021	2020
	Rent	Rent
	£	£
Less than one year	22,800	-
Two to five years	91,200	-
More than 5 years	107,350	-
	<u>221,350</u>	<u>-</u>

**20. RELATED PARTY TRANSACTIONS**

Details of transactions with trustees and senior management are in note 9. There are no other related party transactions.

