

REGISTERED COMPANY NUMBER: 03345230 (England and Wales)
REGISTERED CHARITY NUMBER: 1068393

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 December 2021
for
Peacehaven House
(A Company Limited by Guarantee)

Advance Audit Limited
Statutory Auditor
71/73 Houghton Street
Southport
Merseyside
PR9 0PR

Peacehaven House

Contents of the Financial Statements for the Year Ended 31 December 2021

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 4
Report of the Independent Auditors	5 to 7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12 to 20

Peacehaven House

Reference and Administrative Details for the Year Ended 31 December 2021

TRUSTEES

D Edmondson
H Sidebotham
R I Foulkes
A P Shandley (Chairman)
D A T Wood
C K Caton (Treasurer)
L O'Malley
J Sutton
C A Rodwell

REGISTERED OFFICE

101 Roe Lane
Southport
Merseyside
PR9 7PD

REGISTERED COMPANY NUMBER

03345230 (England and Wales)

REGISTERED CHARITY NUMBER

1068393

AUDITORS

Advance Audit Limited
Statutory Auditor
71/73 Hoghton Street
Southport
Merseyside
PR9 0PR

Peacehaven House

Report of the Trustees for the Year Ended 31 December 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 December 2021. The trustees have adopted the provisions of 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 of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and activities

The objectives of the Charitable Company are to relieve elderly or indigent persons in the Southport area regardless of sex or religious belief through the purchase of lease, furnishing, equipping and maintenance, of a home or homes and to carry out such charitable activities as the Trustees may determine. It is the Charity's practice to open the facilities of the home to a growing number of charitable organisations in the area.

Public benefit

In setting the objectives and planning activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees have examined the major strategic and operational risks which the charity faces and confirm that systems have been established to mitigate risks.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In many respects 2021 was a more difficult year than 2020! Whilst 2020 was more restrictive, the lapse of restrictions and then the subsequent tightening again made life more difficult from some perspectives in the care sector. Thankfully we did not have a single known case of Covid amongst residents in 2021, primarily as a result of the excellent work of Lynne and all the staff at Peacehaven.

Also, we succeeded in double vaccinating all but two of the residents and staff by March 2021! With the majority triple vaccinated by October 2021. Truly remarkable.

The strength of any organisation is it's people, and Peacehaven is a remarkable charity, not only for the service it provides but also for the atmosphere that the staff create within the home, and the incredible loyalty that is so unusual in this sector. In 2021 we had a further 6 members of staff who were awarded with their 10 year plus service awards (with a total average of 16 years' service between them !) In the same year we also had 3 members of staff retire with 54 years of service between them. Truly remarkable, and a testament to the commitment and loyalty of all the staff at Peacehaven.

A milestone of 2021 was the introduction of our electronic care planning system, a quantum leap forward from a recording and monitoring perspective, and a valuable asset to the home.

Equally important was the fact that the Trustees reinvested an enormous amount of capital into the refurbishment of the kitchen during 2021, which is a big improvement for the home and the resident's facilities.

Once again, perhaps more than ever, I have to pay tribute to Lynne and all her team who have done such an amazing job of navigating this amazing charity through very dark times, and successfully looking after the vulnerable people that we care for.

And finally, a big thank you to all the Trustees who so generously give their time for nothing, and who have been so innovative in maintaining the Trustee guidance and governance meetings throughout the restrictions (meeting online, and even meeting sat at distanced trestle tables in a car park on one occasion!) to ensure that the charity continued to have our hands on support and was able to continue its valuable work.

If the test of any organisation is how it faces adversity.....Then we (the Trustees) truly couldn't ask for more!

Peacehaven House

Report of the Trustees for the Year Ended 31 December 2021

FINANCIAL REVIEW

Financial position

2021 again proved to be another tough year for the social care sector with Covid-19 being challenging from both a resident care and a financial perspective.

With the help of central and locally funded grants Peacehaven delivered a surplus of £40,113.

During 2021 Covid-19 continued to increase expenditure in many areas. Staff related costs increased by over £75,000 on 2020 and will remain a major pressure point for the foreseeable future. Heat light and power costs increased by over 25% year on year and are due to move further in the coming year. Other areas of cost increases where experienced in insurance, protective clothing, and registration fees. However, with the help of grants cost increase were substantially mitigated. But going forward into 2022 these grants no longer exist, and the Trustees are monitoring the situation closely.

Investment in the infra structure of the house continued in 2021, with the kitchen undergoing a major refit and redecoration, with areas of the house being redecorated as and when required. New handrails were fitted throughout the house in addition to upgrading access door controls (keypads on fire doors) mainly to assist with infection control, and the purchasing of a number of electronic hospital profile beds.

To ensure our staff were fully supported financially, as per 2020 the Trustees agreed that all staff would be on full pay if required to self-isolate or had any symptoms which may have been a threat to our residents.

The Trustees are pleased with the outcome for 2021, and the charity remains in a very healthy financial position with a strong balance sheet and an excellent Manager and her team delivering a first-class care home for both its residents and staff.

FUTURE PLANS

The Trustees have reviewed their business plan for the charity and will continue with expenditure on the fabric of the home and in ensuring its staff are fully trained to deliver a care home.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Policies

Policies and organisational structure of the charity are determined by the trustees who delegate powers of day-to-day operations to Lynne Nuttall, the Registered Manager. To assist in achieving the objectives of Peacehaven House, qualified personnel are employed, including managers, care workers and administrative staff. The charity relies on the voluntary help of the Trustees for the control and reporting requirements of the charity. Sufficient policies and set procedures and implemented to ensure effective control of the charity. During the year we have used the services of QCS to provide ongoing updates in all areas of legislation relative to our policies and procedures.

Recruitment and appointment of new trustees

Trustees are each allocated to a sub committee, where they have a role in overseeing the management and activities of the home. Any Trustee vacancy is filled by searching for a person best equipped to fill that vacancy in terms of the skills required to complement the Trustee team. Confirmation of appointment, after induction training, is by approval of existing Trustees.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Trustees have been reminded during the year of their responsibilities to review the risk elements of the business and to act to minimise those risks. A paper listing perceived risks and estimated levels of frequency and impact together with adopted methods of managing those risks was issued to the trustees as a catalyst to our ongoing review.

Peacehaven House

Report of the Trustees for the Year Ended 31 December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Peacehaven House for the purposes of company law) are responsible for preparing the Report of the Trustees 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, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

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

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 on 21 June 2022 and signed on its behalf by:



A P Shandley - Trustee

Report of the Independent Auditors to the Members of Peacehaven House

Opinion

We have audited the financial statements of Peacehaven House (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Peacehaven House

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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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 purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Report of the Independent Auditors to the Members of Peacehaven House

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.

Advance Audit Ltd

Jennifer Tobin FCCA (Senior Statutory Auditor)
for and on behalf of Advance Audit Limited
Statutory Auditor
71/73 Hoghton Street
Southport
Merseyside
PR9 0PR

Date: 21.06.2022

Peacehaven House

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	7,044	157,019	164,063	154,900
Charitable activities	4				
Activities undertaken directly		1,612,156	-	1,612,156	1,532,557
Investment income	3	<u>13,304</u>	<u>-</u>	<u>13,304</u>	<u>13,645</u>
Total		1,632,504	157,019	1,789,523	1,701,102
EXPENDITURE ON					
Charitable activities	5				
Activities undertaken directly		<u>1,599,384</u>	<u>157,019</u>	<u>1,756,403</u>	<u>1,703,282</u>
NET INCOME / (EXPENDITURE) BEFORE GAINS OR LOSSES IN INVESTMENTS		33,120	-	33,120	(2,180)
Net gains on investments		<u>63,669</u>	<u>-</u>	<u>63,669</u>	<u>5,025</u>
NET INCOME		96,789	-	96,789	2,845
RECONCILIATION OF FUNDS					
Total funds brought forward		2,119,428	-	2,119,428	2,116,583
TOTAL FUNDS CARRIED FORWARD		<u>2,216,217</u>	<u>-</u>	<u>2,216,217</u>	<u>2,119,428</u>

The notes form part of these financial statements

Peacehaven House

Balance Sheet 31 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	1,453,476	1,453,476
Investments	12	<u>627,472</u>	<u>555,407</u>
		2,080,948	2,008,883
CURRENT ASSETS			
Debtors	13	71,160	49,597
Cash at bank		<u>187,713</u>	<u>186,176</u>
		258,873	235,773
CREDITORS			
Amounts falling due within one year	14	<u>(123,604)</u>	<u>(125,228)</u>
NET CURRENT ASSETS		<u>135,269</u>	<u>110,545</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,216,217</u>	<u>2,119,428</u>
NET ASSETS		<u>2,216,217</u>	<u>2,119,428</u>
FUNDS	17		
Unrestricted funds		<u>2,216,217</u>	<u>2,119,428</u>
TOTAL FUNDS		<u>2,216,217</u>	<u>2,119,428</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 June 2022 and were signed on its behalf by:



C K Caton - Trustee



A P Shandley - Trustee

The notes form part of these financial statements

Peacehaven House

Cash Flow Statement for the Year Ended 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,512</u>	<u>29,835</u>
Net cash provided by operating activities		<u>1,512</u>	<u>29,835</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(63,199)	(113,213)
Sale of fixed asset investments		63,199	113,213
Interest received		<u>25</u>	<u>150</u>
Net cash provided by investing activities		<u>25</u>	<u>150</u>
Change in cash and cash equivalents in the reporting period		1,537	29,985
Cash and cash equivalents at the beginning of the reporting period		<u>186,176</u>	<u>156,191</u>
Cash and cash equivalents at the end of the reporting period		<u>187,713</u>	<u>186,176</u>

The notes form part of these financial statements

Peacehaven House

Notes to the Cash Flow Statement for the Year Ended 31 December 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	96,789	2,845
Adjustments for:		
Gain on investments	(63,669)	(5,025)
Loss on disposal of fixed assets	-	249
Interest received	(25)	(150)
Management fees paid out of fund	4,883	5,201
Dividends received	(13,279)	(13,495)
Increase in debtors	(21,563)	(12,644)
(Decrease)/increase in creditors	<u>(1,624)</u>	<u>52,854</u>
Net cash provided by operations	<u>1,512</u>	<u>29,835</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank	<u>186,176</u>	<u>1,537</u>	<u>187,713</u>
	<u>186,176</u>	<u>1,537</u>	<u>187,713</u>
Total	<u>186,176</u>	<u>1,537</u>	<u>187,713</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity 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 accounts 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 have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and no transitional adjustments were required.

Going concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The financial statements have been prepared on the going concern basis which the trustees consider to be appropriate. Having considered the current and forecast results, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the annual financial statements.

The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Where income has related expenditure (as with fundraising or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Bank and building society interest is included in the income & expenditure accounts on receipt. Dividends and fixed interest are included in the income & expenditure account when they are declared.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Assets are capitalised at their historical cost when purchased. Depreciation is not provided however the need for any impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing that carrying value against the value in use or realisable value of the asset when appropriate.

The charity has adopted the revaluation model to revalue items of freehold property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Financial Activities and added to reserves in a separate Revaluation reserve.

Investments

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at market value.

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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 year.

Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

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.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

Cash at bank and in hand

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

Peacehaven House

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Taxation

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Leasing

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pensions

The Charity operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	1,021	73
Grants	<u>163,042</u>	<u>154,827</u>
	<u>164,063</u>	<u>154,900</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Other grants	<u>163,042</u>	<u>154,827</u>

Peacehaven House

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

3. INVESTMENT INCOME

	2021	2020
	£	£
Income UK listed investments	13,279	13,495
Deposit account interest	25	150
	<u>13,304</u>	<u>13,645</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Income from residents	Activities undertaken directly	1,608,598	1,532,153
Sundry income	Activities undertaken directly	3,558	404
		<u>1,612,156</u>	<u>1,532,557</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Activities undertaken directly	<u>1,738,313</u>	<u>18,090</u>	<u>1,756,403</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	1,238,365	1,162,635
Food costs	107,068	106,301
Residents outings & ent	7,522	3,364
Heat, light & water	93,408	74,551
Repairs & maintenance	151,971	154,031
Cleaning, infection control & PPE	22,053	59,046
Household expenses	15,550	18,923
Garden expenses	1,078	15,948
Laundry	4,048	4,038
Sundry and travel expenses	3,800	4,229
Protective clothing	12,508	4,182
Insurance	23,610	19,689
Telephone	4,344	4,314
Office expenses	13,536	18,435
Registration expenses	14,609	10,854
Training expenses	7,326	7,897
Advertising	3,269	2,254
Medical supplies and toiletries	5,903	5,715
Council Tax	2,284	2,348
PSA	6,061	5,531
	<u>1,738,313</u>	<u>1,684,285</u>

Peacehaven House

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

7. SUPPORT COSTS

	Governance costs £ <u>18,090</u>
Activities undertaken directly	

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	4,580	4,944
Deficit on disposal of fixed assets	<u>-</u>	<u>249</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	1,165,160	1,092,597
Social security costs	<u>73,205</u>	<u>70,038</u>
	<u>1,238,365</u>	<u>1,162,635</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Average number of staff employed	<u>70</u>	<u>67</u>

No employees received total employee benefits of more than £60,000.

Peacehaven House

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2021 and 31 December 2021	<u>1,400,000</u>	<u>318,616</u>	<u>1,718,616</u>
DEPRECIATION			
At 1 January 2021 and 31 December 2021	<u>-</u>	<u>265,140</u>	<u>265,140</u>
NET BOOK VALUE			
At 31 December 2021	<u>1,400,000</u>	<u>53,476</u>	<u>1,453,476</u>
At 31 December 2020	<u>1,400,000</u>	<u>53,476</u>	<u>1,453,476</u>

Freehold land and buildings were subject to independent professional valuation in May 2011. The valuation was undertaken by Eckersley Chartered Surveyors, Commercial Property Consultants and Valuers.

The trustees have considered the valuation of the land and buildings in the current year and no revaluation was considered necessary.

The historical cost of the land and buildings is £517,032.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2021	555,407
Additions	63,199
Disposal proceeds	(63,199)
Gain / (Loss) on disposal	6,993
Change in market value	56,676
Investment income received	13,279
Fund fees and charges	<u>(4,883)</u>
At 31 December 2021	<u>627,472</u>
NET BOOK VALUE	
At 31 December 2021	<u>627,472</u>
At 31 December 2020	<u>555,407</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2021 is represented by:

	Listed investments £
Valuation in 2021	<u>627,472</u>

Peacehaven House

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	64,958	32,001
Other debtors	4,068	7,039
Prepayments	<u>2,134</u>	<u>10,557</u>
	<u>71,160</u>	<u>49,597</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	7,329	(292)
Social security and other taxes	29,459	34,922
Other creditors	50,321	27,328
Accrued expenses	<u>36,495</u>	<u>63,270</u>
	<u>123,604</u>	<u>125,228</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	5,996	6,188
Between one and five years	<u>11,344</u>	<u>17,868</u>
	<u>17,340</u>	<u>24,056</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets	1,453,476	-	1,453,476	1,453,476
Investments	627,472	-	627,472	555,407
Current assets	258,873	-	258,873	235,773
Current liabilities	<u>(123,604)</u>	<u>-</u>	<u>(123,604)</u>	<u>(125,228)</u>
	<u>2,216,217</u>	<u>-</u>	<u>2,216,217</u>	<u>2,119,428</u>

Peacehaven House

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	1,236,460	96,789	1,333,249
Revaluation Reserve	<u>882,968</u>	<u>-</u>	<u>882,968</u>
	<u>2,119,428</u>	<u>96,789</u>	<u>2,216,217</u>
TOTAL FUNDS	<u>2,119,428</u>	<u>96,789</u>	<u>2,216,217</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,632,504	(1,599,384)	63,669	96,789
Restricted funds				
Restricted fund	<u>157,019</u>	<u>(157,019)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>1,789,523</u>	<u>(1,756,403)</u>	<u>63,669</u>	<u>96,789</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	1,233,615	2,845	1,236,460
Revaluation Reserve	<u>882,968</u>	<u>-</u>	<u>882,968</u>
	<u>2,116,583</u>	<u>2,845</u>	<u>2,119,428</u>
TOTAL FUNDS	<u>2,116,583</u>	<u>2,845</u>	<u>2,119,428</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,586,722	(1,588,902)	5,025	2,845
Restricted funds				
Restricted funds	<u>114,380</u>	<u>(114,380)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>1,701,102</u>	<u>(1,703,282)</u>	<u>5,025</u>	<u>2,845</u>

Peacehaven House

Notes to the Financial Statements - continued for the Year Ended 31 December 2021

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	1,233,615	99,634	1,333,249
Revaluation Reserve	<u>882,968</u>	<u>-</u>	<u>882,968</u>
	<u>2,116,583</u>	<u>99,634</u>	<u>2,216,217</u>
TOTAL FUNDS	<u>2,116,583</u>	<u>99,634</u>	<u>2,216,217</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,219,226	(3,188,286)	68,694	99,634
Restricted funds				
Restricted funds	<u>271,399</u>	<u>(271,399)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>3,490,625</u>	<u>(3,459,685)</u>	<u>68,694</u>	<u>99,634</u>

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as unrestricted funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.