

**KING/CULLIMORE CHARITABLE TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**KING/CULLIMORE CHARITABLE TRUST**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr P A Cullimore Mr R Davies Mr C J Gardner Mrs A L Martin Mrs J N Pye
<b>Charity number</b>	1074928
<b>Registered office</b>	52 Ledborough Lane Beaconsfield Buckinghamshire HP9 2DF
<b>Auditor</b>	Harwood Hutton Limited 22 Wycombe End Beaconsfield Buckinghamshire HP9 1NB

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# KING/CULLIMORE CHARITABLE TRUST

## CONTENTS

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	Page
Trustees' report	1 - 3
Independent auditor's report	4 - 6
Statement of financial activities	7
Consolidated balance sheet	8
Charity balance sheet	9
Consolidated statement of cash flows	10
Charity statement of cash flows	11
Notes to the financial statements	12 - 22

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# KING/CULLIMORE CHARITABLE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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The trustees present their report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

The objectives of the Trust are for the trustees to apply the income and all or such part, or parts, of the capital of the Trust at such time or times, and in such manner to, or for, the benefit of such general charitable objects and purposes in any part of the world as the trustees may in their discretion think fit.

The charity's main activities are the raising of income from its investment portfolio and its subsidiary, and the donation of funds to beneficiaries that are wide-ranging including in social and nursing care. The charity reviews all applications for funds to ensure that they meet its legal aims and purpose. These are reviewed and considered at regular trustee meetings, where trustees actively review all requests for funding and ensure that these comply with the charity's aims and objectives. The charity measures its success by the quantifiable donations that it makes each financial year.

The full number of trustees is five individuals. The power of appointing new trustees shall be vested in the trustees for the time being and shall be exercised by Deed.

The trustees determine all donations made and also monitor and manage the investment portfolio. One of the trustees sits on the Board of Directors of the subsidiary charitable company, and is involved in the day-to-day operations along with key strategic decisions of the subsidiary charitable company.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Structure, governance and management**

The Trust is constituted under a Charitable Trust Deed dated 18 November 1998 as subsequently modified and is registered with the Charity Commission.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr P A Cullimore  
Mr R Davies  
Mr C J Gardner  
Mrs A L Martin  
Mrs J N Pye

#### **Achievements and performance**

##### **Financial review**

During the year total incoming resources were £467,360 (2021: £3,965,964), total expenses were £585,969 (2021: £3,680,445) and net outgoing resources, before gains or losses on investments was £(118,609) (2019: surplus of £285,519).

The income for the year ending 31st March 2022 decreased by 88% on the previous year whilst expenditure reduced by 84%. These decreases reflect the impact of the sale of the trade and assets of Universal Care Limited in March 2021 as the subsidiary charity no longer provides domiciliary care.

Main income sources were the investment portfolio (2021: the investment portfolio and the domiciliary care activities undertaken by the subsidiary charity).



# KING/CULLIMORE CHARITABLE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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Investment income rose by 18% to £435,161 (2021: £367,402). The trustees consider the return from the investment portfolio to be strong this year in light of uncertainty in the market place.

Residual income from the domiciliary care activities totalling £32,199 was received (2021: £3,071,113).

During the year donations of £512,000 (2021: £478,597) have been made to various charities and worthy causes, split as follows: health and disability 68%, education and training 25%, and international 7% (2021: health and disability 83%, education and training 13%, and international 4%).

#### Principal risks and uncertainties

Dividends received from listed investments are a key income source for the Trust; therefore with the ongoing uncertainty in the economy, a reduction in income from the UK Stock Market is a concern but is regarded as a small risk.

The charity mitigates its risk by managing its investments to provide a consistent income stream. Third party advice is obtained in order to manage the risks associated with the investment portfolio returns.

#### Plans for future periods

The charity will continue to distribute income to support causes selected by the trustees and maximise donations. It aims to achieve this through monitoring stock market information and acting in response to this and the investment portfolio it maintains.

Following the sale of the assets and trade of Universal Care Limited the trustees have taken the decision to close the charity once the final instalment from the sale is received. While no formal steps have yet been taken it is anticipated that the closure process is expected to start in October 2022. The remaining assets of the charitable company will be distributed to its parent charity, King/Cullimore Charitable Trust.

#### Reserves Policy

The trustees aim to maintain the reserves in unrestricted funds at a sufficient level which will provide sufficient income to cover expected donations to worthy causes. In this regard, no Trustees received remuneration in their capacity as trustees of the parent charity.

The group's unrestricted funds as at 31 March 2022 are £9,276,602 (2021: £7,860,589) and restricted funds (those relating to the subsidiary charitable company) are £165,385 (2021: £711,003). No designated funds are held.

#### Statement of Trustees' responsibilities

The trustees 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).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the group and taking reasonable steps for the prevention and detection of fraud and other irregularities.

# KING/CULLIMORE CHARITABLE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees are responsible for making all decisions in relation to the application of monies and that all such monies would be used for charitable purposes.

### **Auditor**

Harwood Hutton Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the board of trustees.

.....  
**Mr P A Cullimore**

Trustee

Dated: ..... 6 OCTOBER 2022

# KING/CULLIMORE CHARITABLE TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE KING/CULLIMORE CHARITABLE TRUST

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#### **Opinion**

We have audited the financial statements of King/Cullimore Charitable Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charity's affairs as at 31 March 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 Charities Act 2011.

#### **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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity'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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# KING/CULLIMORE CHARITABLE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF UNIVERSAL CARE LIMITED

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

# **KING/CULLIMORE CHARITABLE TRUST**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF UNIVERSAL CARE LIMITED**

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We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected transactions;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Harwood Hutton Limited**

7<sup>th</sup> October 2022

**Chartered Accountants  
Statutory Auditor**

22 Wycombe End  
Beaconsfield  
Buckinghamshire  
HP9 1NB

# KING/CULLMORE CHARITABLE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds	Restricted funds	Restricted funds discontinued activities	Total	Unrestricted funds	Restricted funds	Restricted funds discontinued activities	Total
		2022 £	2022	2022 £	£	2021	2021	2021	2021
						£	£	£	£
<b>Income from:</b>									
Charitable activities	3	-	-	32,199	32,199	-	-	3,071,113	3,071,113
Investments	4	417,539	17,623	-	435,162	365,415	1,987	-	367,402
Other income	5	-	-	-	-	-	-	527,449	527,449
<b>Total income</b>		<b>417,539</b>	<b>17,623</b>	<b>32,199</b>	<b>467,361</b>	<b>365,415</b>	<b>1,987</b>	<b>3,598,562</b>	<b>3,965,964</b>
<b>Expenditure on:</b>									
Charitable activities	7	424,971	102,657	58,343	585,971	476,427	8,410	3,213,003	3,697,840
Other	11	-	-	-	-	-	-	(17,395)	(17,395)
<b>Total resources expended</b>		<b>424,971</b>	<b>102,657</b>	<b>58,343</b>	<b>585,971</b>	<b>476,427</b>	<b>8,410</b>	<b>3,195,608</b>	<b>3,680,445</b>
<b>Net income/(expenditure) and net movement in funds before gains and losses on investments</b>		<b>(7,432)</b>	<b>(85,034)</b>	<b>(26,144)</b>	<b>(118,610)</b>	<b>(111,012)</b>	<b>(6,423)</b>	<b>402,954</b>	<b>285,519</b>
<b>Net gains/(losses) on investments</b>		<b>989,004</b>	<b>-</b>	<b>-</b>	<b>989,004</b>	<b>489,936</b>	<b>-</b>	<b>-</b>	<b>489,936</b>
<b>Net movement in funds</b>		<b>981,572</b>	<b>(85,034)</b>	<b>(26,144)</b>	<b>870,394</b>	<b>378,924</b>	<b>(6,423)</b>	<b>402,954</b>	<b>775,455</b>
Fund balances at 1 April 2021		7,860,589	(15,964)	726,967	8,571,592	7,481,665	(9,541)	324,013	7,796,137
Transfer between funds		434,442	266,381	(700,823)	-	-	-	-	-
<b>Fund balances at 31 March 2022</b>		<b>9,276,603</b>	<b>165,383</b>	<b>-</b>	<b>9,441,986</b>	<b>7,860,589</b>	<b>(15,964)</b>	<b>726,967</b>	<b>8,571,592</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derives from a mix of continuing and discontinuing activities.  
The notes on pages 12 to 22 form part of these financial statements

# KING/CULLIMORE CHARITABLE TRUST

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investments	12	8,702,537		7,728,469	
			<u>8,702,537</u>		<u>7,728,469</u>
<b>Current assets</b>					
Debtors	13	150,671		609,478	
Cash at bank and in hand		617,928		309,840	
			<u>768,599</u>		<u>919,318</u>
<b>Creditors: amounts falling due within one year</b>	14	(29,150)		(76,195)	
Net current assets			<u>739,449</u>		<u>843,123</u>
<b>Total assets less current liabilities</b>			<u>9,441,986</u>		<u>8,571,592</u>
<b>Funds of the charity</b>					
Unrestricted funds	15	9,276,603		7,860,589	
Restricted funds	15	165,383		711,003	
<b>Total charity funds</b>			<u>9,441,986</u>		<u>8,571,592</u>

The notes on pages 12 to 22 form part of these financial statements

The accounts were approved by the trustees on 6 OCTOBER 2022

.....  
Mr P A Cullimore  
Trustee

# KING/CULLIMORE CHARITABLE TRUST

## CHARITY BALANCE SHEET

AS AT 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	12		8,868,110		8,439,472
<b>Current assets</b>					
Debtors	13	1,778		128	
Cash at bank and in hand		582,098		141,992	
		<u>583,876</u>		<u>142,120</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(10,000)</u>		<u>(10,000)</u>	
<b>Net current assets</b>			573,876		132,120
<b>Net assets</b>			<u>9,441,986</u>		<u>8,571,592</u>
<b>Total charity funds</b>	15		<u>9,441,986</u>		<u>8,571,592</u>

The financial statements were approved by the trustees on 6 October 2022

.....  
Mr P A Cullimore  
Trustee



**KING/CULLIMORE CHARITABLE TRUST**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	18		(474,387)		(415,749)
<b>Investing activities</b>					
Proceeds on disposal of tangible fixed assets		-		27,053	
Purchase of fixed asset investments		-		(70,087)	
Proceeds on disposal of fixed asset investments		14,934		-	
Proceeds on disposal of business		350,000		50,000	
Interest received		90		225	
Dividends received		417,451		365,190	
<b>Net cash generated from investing activities</b>			782,475		372,381
<b>Net decrease in cash and cash equivalents</b>			308,088		(43,368)
Cash and cash equivalents at beginning of year			309,840		353,208
<b>Cash and cash equivalents at end of year</b>			617,928		309,840

# KING/CULLIMORE CHARITABLE TRUST

## CHARITY STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	18		(426,619)		(476,427)
<b>Investing activities</b>					
Purchase of fixed asset investments		-		(70,087)	
Proceeds on disposal of fixed asset investments		14,934		-	
Interest received		88		225	
Dividends received		417,451		365,190	
Distribution from subsidiary		434,252		-	
<b>Net cash generated from investing activities</b>			866,725		295,328
<b>Net decrease in cash and cash equivalents</b>			440,106		(181,099)
Cash and cash equivalents at beginning of year			141,992		323,091
<b>Cash and cash equivalents at end of year</b>			582,098		141,992

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

#### **Charity information**

The King/Cullimore Charitable Trust is a charitable trust registered in England and Wales. The address of the charity is given in the legal and administrative information page contained within these financial statements. The nature of the charity's operations and principal activities are described in the trustee's report.

#### **1.1 Accounting convention**

The amounts have been prepared in accordance with the Charity's Trust Deed, 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 of Ireland (FRS 102) (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 1 January 2019.

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. The principal accounting policies adopted are set out below.

#### **1.2 Basis of consolidation**

The financial statements consolidate the results of the charity and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of an asset transferred.

#### **1.3 Going concern**

The trustees have a reasonable expectation that the parent will continue in operational existence for the foreseeable future.

Following the sale of the assets and trade of the subsidiary, Universal Care Limited, the trustees have taken the decision to close the charity once the final instalment from the sale is received. While no formal steps have yet been taken it is anticipated that the closure process is anticipated to start in October 2022. The remaining assets of the charitable company will be distributed to its parent charity, King/Cullimore Charitable Trust.

These financial statements are prepared on the going concern basis as the subsidiaries assets are all denoted in cash and debtors and their value is unlikely to be materially impacted by the decision to close.

#### **1.4 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted fund are the reserves held by the subsidiary charity, Universal Care Limited, as while this charity has similar charitable purposes, they are not identical to that of the parent charity.

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income on quoted equities is recognised on an accruals basis when the securities are quoted 'ex-dividend.' Dividend income on unquoted equities is recognised when the dividend is declared.

#### 1.6 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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the charitable activity.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

#### 1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the statement of financial activities.

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.

A subsidiary is an entity controlled by the group. Control is the power given to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The Trust does not acquire put options, derivatives or other complex financial instruments.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic financial Instruments" to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances are measured at transaction price less any provision for impairment.

##### **Basic financial liabilities**

Short term creditors are measured at transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Operating leases

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

#### 1.14 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the trustees are required to make judgements, 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.

##### **Fair value of subsidiary**

On 1 May 2015, P A Cullimore gifted his entire shareholding in Universal Care Limited, a company incorporated in England and Wales, to the King/Cullimore Trust and the trust has held 100% of the issued share capital of the company from that date.

The value of the subsidiary was deemed to be equal to its net assets.

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 1.15 Judgements and key sources of estimation uncertainty (continued)

##### *Fair value of the investments*

The trustees manage the investment portfolio directly and therefore it is their responsibility to value the investments held at the year end. The valuation is calculated based on the number of shares owned and the published share price at the year end and little judgement is involved

#### 2 Financial performance of the charity

A separate income and expenditure account has not been prepared as the figures comprising net income/(expenditure) for the year shown in the Consolidated Statement of Financial Activities on page 7 give the information required under the Charities Act 2011, together with details of other recognised gains and losses.

3	Income from Charitable activities	2022 £	2021 £
	Sales within charitable activities	32,199	3,071,113
	All sales within charitable activities relate to discontinued activities of the subsidiary.		
4	Investment income	2022 £	2021 £
	Interest	17,711	2,212
	Dividends	417,451	365,190
		435,162	367,402

#### 5 Other income

Due to changes in the regulatory environment, the board of trustees of Universal Care Limited (the subsidiary) sold the assets relating to provision of domiciliary care to Nobilis Care Limited. The sale was completed on 1 March 2022 at which date control of the domiciliary care operations passed to the acquirer. The comparative figures have been re-presented to show separately the results of the discontinued operation as included in that period.

	2022 £	2021 £
<b>Sale of discontinued operations</b>		
Net book value of Property, plant and equipment sold	-	6,211
	-	6,211
Profit on sale of fixed assets	-	18,042
Profit on sale of discontinued activity	-	527,449
	-	551,702
Consideration received	-	551,702

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 6 Financial performance of the subsidiary

The wholly owned trading subsidiary Universal Care Limited is incorporated in the United Kingdom (company number 02052520) and also, from June 2019, a registered charity (charity number 1184010). Prior to June 2019 Universal Care Limited paid all of its taxable profits to the parent charity under the gift aid scheme.

The summary financial performance of the subsidiary alone is:

	Continued activities	Discontinued activities	Total 2022	Continued activities	Discontinued activities	Total 2021
	£	£	£	£	£	£
Sales within Charitable activities	-	32,199	32,199		3,071,113	3,071,113
Investment income	17,623	-	17,623	1,987	-	1,987
Other income (Note 5)		-	-		527,449	527,449
	17,623	32,199	49,822	1,987	3,598,562	3,600,549
Expenditure on charitable activities	102,657	58,343	161,000	8,410	3,213,003	3,221,413
Other	-	-	-	-	(17,395)	(17,395)
	102,657	58,343	161,000	8,410	3,195,608	3,204,018
<b>Net (deficit)/income</b>	(85,034)	(26,144)	(111,178)	(6,423)	402,954	396,531
Donation to parent	(434,252)		(434,252)	-	-	-
Retained (deficit)/surplus in subsidiary charity	(519,286)	(26,144)	(545,430)	(6,423)	402,954	396,531

#### 7 Charitable activities

	Grant giving	Domiciliary care	Total 2022	Grant giving	Domiciliary care	Total 2021
	£	£	£	£	£	£
Care costs – staff (note 10)	-	-	-	-	2,759,360	2,759,360
Care costs - other	-	22,396	22,396	-	221,602	221,602
Grants	512,000	-	512,000	470,187	8,410	478,597
Grants costs - other	4,371	-	4,371	-	-	-
	516,371	22,396	538,767	470,187	2,989,372	3,459,559
Support costs (note 8)	3,397	29,387	32,784	-	224,041	224,041
Governance costs (note 8)	7,860	6,560	14,420	6,240	8,000	14,240
	11,257	35,947	47,204	6,240	232,041	238,281
<b>Total charitable activities</b>	<b>527,628</b>	<b>58,343</b>	<b>585,971</b>	<b>476,427</b>	<b>3,221,413</b>	<b>3,697,840</b>
Total charitable activities split between continuing and discontinuing activities						
Continued	527,628	-	527,628	476,427	8,410	484,837
Discontinued	-	58,343	58,343	-	3,213,003	3,213,003
<b>Total charitable activities</b>	<b>527,628</b>	<b>58,343</b>	<b>585,971</b>	<b>476,427</b>	<b>3,221,413</b>	<b>3,697,840</b>

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 8 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Legal and professional	22,530	-	22,530	213,949	-	213,949
Accountancy	10,254	-	10,254	10,057	-	10,057
Subscriptions	-	-	-	35	-	35
Audit fees	-	14,420	14,420	-	14,240	14,240
	<u>32,784</u>	<u>14,420</u>	<u>47,204</u>	<u>224,041</u>	<u>14,240</u>	<u>238,281</u>
Analysed between						
Grant giving	3,397	7,860	11,257	-	6,240	6,240
Domiciliary care	<u>29,387</u>	<u>6,560</u>	<u>35,947</u>	<u>224,041</u>	<u>8,000</u>	<u>232,041</u>
	<u>32,784</u>	<u>14,420</u>	<u>47,204</u>	<u>224,041</u>	<u>14,240</u>	<u>238,281</u>

Governance costs includes payments to the auditors of £14,420 (2021 - £14,240) for audit fees.

### 9 Trustees

During the year none of the trustees (or any persons connected with them) received any remuneration or benefits from the charity.

The trustees also did not incur any expenses as trustees.

### 10 Employees

The average monthly number of employees during the year was:

	2022 Group	2022 Charity	2021 Group	2021 Charity
	<u>-</u>	<u>-</u>	<u>107</u>	<u>-</u>
Employment costs			2022 £	2021 £
Wages and salaries			-	2,461,355
Social security costs			-	216,130
Other pension costs			-	81,875
			<u>-</u>	<u>2,759,360</u>



# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 11 Other expenditure

	Unrestricted funds Discontinued 2022 £	Unrestricted funds Discontinued 2021 £
Net gain/(loss) on disposal of tangible fixed assets	-	(17,395)
	-	(17,395)

### 12 Fixed asset investments

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Investments in subsidiaries	-	165,573	-	711,003
Listed investments	8,702,537	8,702,537	7,728,469	7,728,469
Market value carried forward	<u>8,702,537</u>	<u>8,868,110</u>	<u>7,728,469</u>	<u>8,439,472</u>
<b>Movement in listed investments</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Market value brought forward	7,728,469	7,728,469	7,168,445	7,168,445
Add: additions to investment at cost	-	-	70,087	70,087
Less: disposals at carrying value	-	-	-	-
Add: net gain/(loss) on revaluation	974,068	974,068	489,937	489,937
Market value carried forward	<u>8,702,537</u>	<u>8,702,537</u>	<u>7,728,469</u>	<u>7,728,469</u>
<b>Investments at fair value comprised of:</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Investments in subsidiaries	-	165,573	-	711,003
Listed investment	8,702,537	8,702,537	7,728,469	7,728,469
Equities	<u>8,702,537</u>	<u>8,868,110</u>	<u>7,728,469</u>	<u>8,439,472</u>

The King/Cullimore Trust holds 100% of the issued share capital in its subsidiary Universal Care Limited. Universal Care Limited is a charitable company incorporated in England and Wales (company registration number 0052520, Charity registration number 1184010). The investment is valued at the balance sheet total of that charity as that reflects the value of the investment.

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 13 Debtors

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
<b>Amounts falling due within one year:</b>				
Trade debtors	1,834	-	95,046	-
Other debtors	148,837	1,778	375,018	128
	<u>150,671</u>	<u>1,779</u>	<u>470,064</u>	<u>128</u>
<b>Amounts falling due after more than one year</b>				
Other debtors	-	-	139,414	-
<b>Total debtors</b>	<u>150,671</u>	<u>1,778</u>	<u>609,478</u>	<u>128</u>

### 14 Creditors: amounts falling due within one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Other taxation and social security	-	-	19,641	-
Other creditors	29,150	10,000	56,554	10,000
	<u>29,150</u>	<u>10,000</u>	<u>76,195</u>	<u>10,000</u>

### 15 Funds of the charity Group

	At the 1 April 2021	Net movement in year	Transfers	At the 31 March 2022
Unrestricted funds	7,860,589	981,572	434,442	9,276,603
Restricted funds	711,003	(111,178)	(434,442)	165,383
	<u>8,571,592</u>	<u>870,394</u>	<u>-</u>	<u>9,441,986</u>

Restricted fund are the reserves held by the subsidiary charity, Universal Care Limited, as while this charity has similar charitable purposes, they are not identical to that of the parent charity.

Transfers between restricted and unrestricted funds represent the donation made by the subsidiary charity to its parent.

#### Charity

All the charitable trust's reserves are unrestricted

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 16 Analysis of net assets between funds

#### Group

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	8,702,537	-	8,702,537	7,728,469		7,728,469
Current assets/(liabilities)	574,066	165,383	739,449	132,120	711,003	843,123
	<u>9,276,603</u>	<u>165,383</u>	<u>9,441,986</u>	<u>7,860,589</u>	<u>711,003</u>	<u>8,571,592</u>

#### Charity

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	8,868,110		8,868,110	8,439,472		8,439,472
Current assets/(liabilities)	573,876	-	573,876	132,120	-	132,120
	<u>9,441,986</u>	<u>-</u>	<u>9,441,986</u>	<u>8,571,592</u>	<u>-</u>	<u>8,571,592</u>

### 17 Operating lease commitments

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

	2022 £	2021 £
Within one year	-	25,360
Between two and five years	-	101,440
In over five years	-	71,853
	<u>-</u>	<u>198,653</u>

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 18 Cash generated from operations

Group	2022 £	2021 £
Net incoming resources/(deficit)	870,395	775,455
Adjustments for:		
Interest receivable	(17,711)	(2,212)
Investment income	(417,451)	(365,190)
(Gain)/loss on disposal of tangible fixed assets	-	(17,395)
(Gain)/loss on disposal of business	-	(527,449)
(Gain)/loss on disposal of fixed asset investments	(14,934)	-
Fair value (gain)/loss on fixed asset investments	(974,070)	(489,937)
Depreciation and impairment of tangible fixed assets	-	4,128
Movements in working capital:		
(Increase)/decrease in debtors	126,429	307,467
(Decrease) in creditors	(47,045)	(100,616)
<b>Cash generated from/(absorbed by) operations</b>	<b>(474,387)</b>	<b>(415,749)</b>

### Charity

	2022 £	2021 £
Net incoming resources/(deficit)	870,394	732,748
Adjustments for:		
Interest receivable	(88)	(225)
Investment income	(851,703)	(365,190)
(Gain)/loss on disposal of fixed asset investments	(14,934)	-
Fair value (gain)/loss on fixed asset investments	545,430	(489,937)
Impairment of subsidiary	(974,068)	(353,823)
Distribution from subsidiary	-	-
Movements in working capital:		
(Increase)/decrease in debtors	(1,650)	-
(Decrease) in creditors	-	-
<b>Cash generated from/(absorbed by) operations</b>	<b>(426,619)</b>	<b>(476,427)</b>

### 19 Analysis of changes in net funds

Group	1 April 2021	Cash flows	31 March 2022
Cash in hand and at bank	309,840	308,088	617,928
Charity			
	1 April 2021	Cash flows	31 March 2022
Cash in hand and at bank	141,992	440,106	582,098

# KING/CULLIMORE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2022*

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### **20 Subsequent events**

Following the sale of the trade and assets of Universal Care Limited the trustees have taken the decision to close the charity once the final instalment from the sale is received. While no formal steps have yet been taken it is expected that the closure process is anticipated to start in October 2022. The remaining assets of the charitable company will be distributed to its parent charity, King/Cullimore Charitable Trust.