

Company registration number: 4750130

Charity registration number: 1102881

# Villa Scalabrini

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Sterling Grove Accountants Limited  
Chartered Certified Accountants and Statutory Auditors  
Fawley House  
2 Regatta Place  
Marlow Road  
Bourne End  
Buckinghamshire  
SL8 5TD

# **Villa Scalabrini**

## **Contents**

Reference and Administrative Details	1
Strategic Report	2 to 3
Trustees' Report	4 to 7
Statement of Trustees' Responsibilities	8
Independent Auditors' Report	9 to 12
Statement of Financial Activities	13 to 14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 to 30

## **Villa Scalabrini**

### **Reference and Administrative Details**

<b>Trustees</b>	Mr Michael Polledri M.B.E. Fr Francesco Buttazzo Fr Giuseppe Bortolazzo Fr Geraldo Melotti Junior Fr Mauro Lazzarato Mr Stefano Fiori Mrs Lisa Ciccone Mr Francis Giacon Fr Jovannie Postrano
<b>Secretary</b>	Gentil Goncalves
<b>Charity Registration Number</b>	1102881
<b>Company Registration Number</b>	4750130
<b>Registered Office</b>	Green Street Shenley Herts WD7 9BB
<b>Auditor</b>	Sterling Grove Accountants Limited Chartered Certified Accountants and Statutory Auditors Fawley House 2 Regatta Place Marlow Road Bourne End Buckinghamshire SL8 5TD
<b>Bankers</b>	CAF Bank Limited

## **Villa Scalabrini**

### **Strategic Report for the Year Ended 31 March 2023**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2023, in compliance with s414C of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

#### **Achievements and performance**

- Staff recruitment and retention
- Financial growth towards full sustainability
- High occupation levels
- Maintain services rated 'Outstanding' by CQC
- Team building for the future
- Highly effective management of Covid outbreaks
- Implementation of Office Management Software
- Designing and implementing interior design of the home project
- The positive factors for all these achievements were based on the support from Trustees and all staff. A great team, going all the time the extra mile to achieve objectives through their transferable skills, their 'can do' positive solution oriented attitude.

Apart from our regular sponsors the major fundraising events were the Classics and the Scampagnata, which were a success both financially and as a means of promoting the Villa within the Italian and wider communities.

Factors that have caused some challenges like inflation causing high prices, shortage of valuable prospective staff in the market.

Minimum wage set to rise again at the beginning of the new financial year, which will require a meaningful pay rise strategy if we don't want to lose additional staff to the NHS and other competitors.

Another challenge is to providing accommodation facilities for staff to attract and retain new staff, we are putting together a proposal, which we intend to discuss with the planning authorities, to provide for standalone facilities to this end.

#### **Financial review**

In 2022/23 the charity's accounts show a surplus of £427,510 (2022: £358,286).

The charity income levels increased from £2.46m to £2.8m due to increase fees and high occupancy levels throughout the year.

Costs have increased from £2,118,240 to £2,382,215 which was mainly down to staff costs increase to meet the demands of the home.

The accounting figures appear to be very robust, however we constantly review principal risks and uncertainties quarterly.

## **Villa Scalabrini**

### **Strategic Report for the Year Ended 31 March 2023**

#### ***Policy on reserves***

It is the policy of the charity to maintain sufficient unrestricted funds at the level which is similar to one years expenditure levels for charitable activities. This policy enables the home to maintain its standards even in a year of difficulty.

The trustees have the power to invest in such stocks and shares, investments and property as they see fit. The trustees hold the majority of funds on deposit with a small investment held in CAF Balanced Growth Fund.

#### **Plans for future periods**

##### ***Aims and key objectives for future periods***

The plan for the future remain to reinforce the existing objectives, investing in people to retain even the very best we have, complete the new wing and ‘dream on’ with the Masterplan for the Villa.

We intend to commence works on the new wing within the next few weeks and indeed are currently working on a rolling program of improvements to the Villa with respected interior designers. The project is, to pick up a quote, an exciting one in that the canvas we are working on is fabulous. One can really see this home as a stunningly modern, but classic building when refurbished effectively.

The strategic report was approved by the trustees of the charity on 16 October 2023 and signed on its behalf by:

.....  
Fr Giuseppe Bortolazzo  
Trustee

## **Villa Scalabrini**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2023.

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mr Michael Polledri M.B.E.
	Fr Francesco Buttazzo
	Fr Giuseppe Bortolazzo
	Fr Geraldo Melotti Junior
	Fr Mauro Lazzarato
	Mr Stefano Fiori
	Mrs Lisa Ciccone
	Mr Francis Giacon (appointed 20 February 2023)
	Fr Jovannie Postrano (appointed 20 February 2023)

Secretary:	Gentil Goncalves
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#### **Objectives and activities**

The primary purpose of the Charity is the running of Villa Scalabrini as a Home mainly for elderly Italians. However, Villa Scalabrini welcomes individuals from all cultural and ethnic backgrounds.

In setting their objectives and planning their activities, the Trustees give due consideration to the Charity Commission's guidance on public benefit and fee-charging.

The Trustees are committed to maintaining Villa Scalabrini's very high standards, as recognised by the Care Quality Commission. This requires continuing investment in its personnel and facilities.

The Trustees are immensely grateful to the management and staff of Villa Scalabrini for their care of, and dedication to, its residents, the quality of which is reflected in the positive feedback received from residents and their relatives and friends.

The Trustees also keep under constant review the physical condition and facilities of Villa Scalabrini and consider ways of improving these for the benefit of residents and staff. An ongoing programme of refurbishment and upgrades to individual rooms and common areas is being implemented so as to make the Villa's overall environment more welcoming and appealing.

## **Villa Scalabrini**

### **Trustees' Report**

Plans for a new wing have been finalised. The new wing will provide additional rooms for residents as well as some much-needed staff accommodation. It is expected that the new wing will be completed by Summer 2024.

For the longer term, the Trustees are considering ways in which the Villa may be expanded in terms of the services provided and the accommodation and facilities that are available to residents and staff, so that the Charity is in a position to meet the needs of future residents and the challenges of recruitment of suitable personnel in an increasingly competitive market.

The Trustees support the main fundraising activities held in the grounds of the Villa, being the annual Scampagnata and Classic Car Show. The Trustees are very grateful to all those who help to organise and deliver these events, in particular, the Friends of Villa Scalabrini.

The Trustees are also very grateful to all those individuals and organisations and have made donations to the Charity and so have given important financial support for the provision of services to the Villa's residents.

#### ***Public benefit***

The Charity's activities focus on providing care to the elderly and are undertaken to further the Charity's for the benefit of the public.

Although Villa Scalabrini was originally established for the purpose of accommodating and caring for elderly Italians, it now offers equal opportunities to all cultures, religions and nationalities, therefore welcoming all individuals.

Villa Scalabrini has the facilities to accommodate 53 residents. Some are privately funded while others are part or fully funded through local Authorities. On completion of the new wing, an additional seven rooms will be provided for residents.

The Trustees consider it important that access to the services offered by Villa Scalabrini is not restricted to those who can afford the fees. Therefore, local authorities are involved in providing part of the fees for some of the residents.

Villa Scalabrini is committed to providing friendly, dedicated and professional care and support that the residents require and expects all staff and volunteers to share this commitment.

The level of care provided depends on the individual circumstances and Villa Scalabrini seeks to recognise each resident's physical, emotional, social and spiritual needs and to provide appropriate support to meet them.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

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

##### ***Nature of governing document***

The Charitable Company, which is Limited by guarantee, was incorporated on 1 May 2003 under registration number 4750130 and is governed by its Memorandum and Articles of Association. The company was registered with the Charity Commission on 26 March 2004 and given the number 1102881.

## **Villa Scalabrini**

### **Trustees' Report**

#### ***Recruitment and appointment of trustees***

When the need for a new Trustee is identified, a search is undertaken for candidates and then their suitability is discussed and appropriate background checks undertaken. A new Trustee is introduced at the next appropriate Trustee meeting but does not become a Trustee until the results of the checks are received and the legal processes have been completed.

#### ***Induction and training of trustees***

Induction takes the form of a meeting with other Trustees and, where relevant, key staff who explain responsibilities and how Villa works. The new Trustee is also supplied with Charity Commission guidance on the Trustees role and responsibilities.

#### ***Organisational structure***

The day to day management of the home is done by the management team including G. Goncalves (assistant director) and L. D'Almeida (director), who report regularly to trustees.

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees meet on a regular basis to review the Charity's performance and issue new guidance if required.

The charity is connected to the Scalabrini Fathers Company (Charities Commission reference 1141084) and to the Regional Provincial House based in Basel, Switzerland.

#### **Financial instruments**

#### ***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

#### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

#### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.



## **Villa Scalabrini**

### **Trustees' Report**

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

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 16 October 2023 and signed on its behalf by:

.....  
Fr Giuseppe Bortolazzo  
Trustee

## **Villa Scalabrini**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Villa Scalabrini for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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 the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 16 October 2023 and signed on its behalf by:

.....  
Fr Giuseppe Bortolazzo  
Trustee

## **Villa Scalabrini**

### **Independent Auditor's Report to the Members of Villa Scalabrini**

#### **Opinion**

We have audited the financial statements of Villa Scalabrini (the 'charity') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## **Villa Scalabrini**

### **Independent Auditor's Report to the Members of Villa Scalabrini**

#### **Opinion on other matter 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8), 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 responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

## **Villa Scalabrini**

### **Independent Auditor's Report to the Members of Villa Scalabrini**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 company through discussions with directors and other management, and from our commercial knowledge and experience of the environmental waste 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 company, including the Companies Act 2006, taxation legislation 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 inspecting legal correspondence; 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.

We assessed the susceptibility of the company'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 relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies 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;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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 directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

#### **Use of our report**

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

## **Villa Scalabrini**

### **Independent Auditor's Report to the Members of Villa Scalabrini**

Mr Gianni Pietro Amasanti FCCA (Senior Statutory Auditor)  
For and on behalf of Sterling Grove Accountants Limited, Statutory Auditor

Fawley House  
2 Regatta Place  
Marlow Road  
Bourne End  
Buckinghamshire  
SL8 5TD

16 October 2023

## Villa Scalabrini

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	62,313	47,549	109,862
Charitable activities	4	2,655,940	-	2,655,940
Investment income	5	10,392	-	10,392
Other income	6	32,475	-	32,475
Total income		<u>2,761,120</u>	<u>47,549</u>	<u>2,808,669</u>
<b>Expenditure on:</b>				
Charitable activities	7	(2,328,920)	(18,030)	(2,346,950)
Other expenditure	8	<u>(33,000)</u>	<u>(2,265)</u>	<u>(35,265)</u>
Total expenditure		<u>(2,361,920)</u>	<u>(20,295)</u>	<u>(2,382,215)</u>
Gains/losses on investment assets		<u>1,056</u>	<u>-</u>	<u>1,056</u>
Net income		400,256	27,254	427,510
Transfers between funds		<u>(1,672,746)</u>	<u>(27,254)</u>	<u>(1,700,000)</u>
Net movement in funds		(1,272,490)	-	(1,272,490)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>9,400,293</u>	<u>24,000</u>	<u>9,424,293</u>
Total funds carried forward	22	<u>8,127,803</u>	<u>24,000</u>	<u>8,151,803</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	84,063	143,605	227,668
Charitable activities	4	2,223,097	-	2,223,097
Investment income	5	4,383	-	4,383
Other income	6	4,173	-	4,173
Total income		<u>2,315,716</u>	<u>143,605</u>	<u>2,459,321</u>
<b>Expenditure on:</b>				
Charitable activities	7	(2,082,240)	-	(2,082,240)
Other expenditure	8	<u>(36,000)</u>	<u>-</u>	<u>(36,000)</u>
Total expenditure		<u>(2,118,240)</u>	<u>-</u>	<u>(2,118,240)</u>
Gains/losses on investment assets		<u>17,205</u>	<u>-</u>	<u>17,205</u>
Net income		214,681	143,605	358,286
Transfers between funds		<u>151,085</u>	<u>(151,085)</u>	<u>-</u>
Net movement in funds		365,766	(7,480)	358,286

The notes on pages 17 to 30 form an integral part of these financial statements.

## Villa Scalabrini

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Reconciliation of funds</b>				
Total funds brought forward		9,034,527	31,480	9,066,007
Total funds carried forward	22	9,400,293	24,000	9,424,293

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 & 2023 is shown in note 22.

The notes on pages 17 to 30 form an integral part of these financial statements.



# Villa Scalabrini

## (Registration number: 4750130) Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	15	7,583,201	7,651,536
Investments	16	<u>288,284</u>	<u>287,228</u>
		<u>7,871,485</u>	<u>7,938,764</u>
<b>Current assets</b>			
Debtors	17	6,936	69,097
Cash at bank and in hand	18	<u>2,166,090</u>	<u>1,572,016</u>
		2,173,026	1,641,113
<b>Creditors: Amounts falling due within one year</b>	19	<u>(192,708)</u>	<u>(155,584)</u>
<b>Net current assets</b>		<u>1,980,318</u>	<u>1,485,529</u>
<b>Net assets</b>		<u>9,851,803</u>	<u>9,424,293</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		<u>24,000</u>	<u>24,000</u>
<b>Unrestricted income funds</b>			
Unrestricted		8,003,477	9,277,023
Designated Funds		1,700,000	-
Unrestricted revaluation reserve		<u>124,326</u>	<u>123,270</u>
Total unrestricted funds	22	<u>9,827,803</u>	<u>9,400,293</u>
<b>Total funds</b>		<u>9,851,803</u>	<u>9,424,293</u>

The financial statements on pages 13 to 30 were approved by the trustees, and authorised for issue on 16 October 2023 and signed on their behalf by:

.....  
Fr Giuseppe Bortolazzo  
Trustee

The notes on pages 17 to 30 form an integral part of these financial statements.

## Villa Scalabrini

### Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash income		426,454	341,081
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	8	180,373	176,147
Investment income	5	<u>(10,392)</u>	<u>(4,383)</u>
		596,435	512,845
<b>Working capital adjustments</b>			
Decrease in debtors	17	62,161	15,112
Increase in creditors	19	<u>37,124</u>	<u>95,162</u>
Net cash flows from operating activities		<u>695,720</u>	<u>623,119</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	10,392	4,383
Purchase of tangible fixed assets	15	<u>(112,038)</u>	<u>(12,455)</u>
Net cash flows from investing activities		<u>(101,646)</u>	<u>(8,072)</u>
Net increase in cash and cash equivalents		594,074	615,047
Cash and cash equivalents at 1 April		<u>1,572,016</u>	<u>956,969</u>
Cash and cash equivalents at 31 March		<u><u>2,166,090</u></u>	<u><u>1,572,016</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 17 to 30 form an integral part of these financial statements.

## **Villa Scalabrini**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Green Street  
Shenley  
Herts  
WD7 9BB

These financial statements were authorised for issue by the trustees on 16 October 2023.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with 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 in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Villa Scalabrini meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## **Villa Scalabrini**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	Over 50 years
Fixtures and fittings	15-20% Reducing balance
Motor vehicles	25% Reducing balance

#### Research and development

Research and development expenditure is written off as incurred.

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## **Villa Scalabrini**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations from individuals	62,313	23,269	85,582	95,505
Grants;				
Government grants	-	24,280	24,280	132,163
	<u>62,313</u>	<u>47,549</u>	<u>109,862</u>	<u>227,668</u>

#### 4 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Respite care	90,407	90,407	137,541
Private funding	1,788,342	1,788,342	1,380,810
Local authority funding	723,311	723,311	667,559
Hospitality income	53,880	53,880	37,187
	<u>2,655,940</u>	<u>2,655,940</u>	<u>2,223,097</u>

#### 5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Other interest receivable	10,392	10,392	4,383

#### 6 Other income

	Unrestricted General £	Total 2023 £	Total 2022 £
Fundraising income	32,475	32,475	4,173

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 7 Expenditure on charitable activities

	Note	Unrestricted		Total 2023	Total 2022
		General £	Restricted £	£	£
Food purchases		118,132	-	118,132	104,527
Utility costs		81,969	-	81,969	71,351
Establishment costs		28,930	-	28,930	32,422
Repairs and maintenance		76,579	-	76,579	60,074
Office expenses		9,494	-	9,494	7,695
Printing, posting and stationery		10,174	-	10,174	9,831
Sundry and other costs		16,823	18,030	34,853	14,140
Cleaning		30,009	-	30,009	62,694
Motor expenses		4,934	-	4,934	3,614
Advertsing and promotion		2,192	-	2,192	3,614
Training and welfare costs		7,362	-	7,362	5,435
Depreciation, amortisation and other similar costs		180,373	-	180,373	176,146
Staff costs		1,732,424	-	1,732,424	1,503,471
Governance costs	9	29,525	-	29,525	27,226
		<u>2,328,920</u>	<u>18,030</u>	<u>2,346,950</u>	<u>2,082,240</u>

#### 8 Other expenditure

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Donations paid		<u>33,000</u>	<u>2,265</u>	<u>35,265</u>
<b>Total for 2023</b>		<u>33,000</u>	<u>2,265</u>	<u>35,265</u>
<b>Total for 2022</b>		<u>36,000</u>	<u>-</u>	<u>36,000</u>



## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 9 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Audit fees			
Audit of the financial statements	6,900	6,900	6,600
Other fees paid to auditors	8,189	8,189	6,125
Legal fees	13,903	13,903	14,344
Bank charges	533	533	157
	<u>29,525</u>	<u>29,525</u>	<u>27,226</u>

#### 10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
Audit fees	6,900	6,600
Depreciation of fixed assets	<u>180,373</u>	<u>176,146</u>

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,566,932	1,361,941
Social security costs	137,185	116,047
Pension costs	<u>28,307</u>	<u>25,483</u>
	<u>1,732,424</u>	<u>1,503,471</u>

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Residential home	<u>55</u>	<u>56</u>

55 (2022 - 56) of the above employees participated in the Defined Contribution Pension Schemes.

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £171,999 (2022 - £162,801).

#### 13 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>6,900</u>	<u>6,600</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>8,189</u>	<u>6,125</u>

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 15 Tangible fixed assets

	Freehold Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2022	8,089,031	604,841	13,559	8,707,431
Additions	84,850	27,188	-	112,038
At 31 March 2023	<u>8,173,881</u>	<u>632,029</u>	<u>13,559</u>	<u>8,819,469</u>
<b>Depreciation</b>				
At 1 April 2022	494,267	550,142	11,486	1,055,895
Charge for the year	163,478	16,377	518	180,373
At 31 March 2023	<u>657,745</u>	<u>566,519</u>	<u>12,004</u>	<u>1,236,268</u>
<b>Net book value</b>				
At 31 March 2023	<u>7,516,136</u>	<u>65,510</u>	<u>1,555</u>	<u>7,583,201</u>
At 31 March 2022	<u>7,594,764</u>	<u>54,699</u>	<u>2,073</u>	<u>7,651,536</u>

#### 16 Fixed asset investments

	2023 £	2022 £
Other investments	<u>288,284</u>	<u>287,228</u>

#### Other investments

	Other investments £	Total £
<b>Cost or Valuation</b>		
At 1 April 2022	287,228	287,228
Revaluation	1,056	1,056
At 31 March 2023	<u>288,284</u>	<u>288,284</u>
<b>Net book value</b>		
At 31 March 2023	<u>288,284</u>	<u>288,284</u>
At 31 March 2022	<u>287,228</u>	<u>287,228</u>

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 17 Debtors

	2023 £	2022 £
Trade debtors	700	1,479
Prepayments	4,547	6,069
Other debtors	1,689	61,549
	<u>6,936</u>	<u>69,097</u>

#### 18 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	2,184	1,303
Cash at bank	2,163,906	1,570,713
	<u>2,166,090</u>	<u>1,572,016</u>

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

	2023 £	2022 £
Trade creditors	22,932	33,307
Other taxation and social security	52,016	59,600
Pension scheme creditor	6,957	6,060
Accruals	53,676	6,300
Deferred income	57,127	50,317
	<u>192,708</u>	<u>155,584</u>
	<b>2023</b> £	<b>2022</b> £
Deferred income at 1 April 2022	50,317	11,026
Resources deferred in the period	57,127	50,317
Amounts released from previous periods	(50,317)	(11,026)
Deferred income at year end	<u>57,127</u>	<u>50,317</u>

The deferred income relates to fees received in advance that relate to post year end services.

#### 20 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £28,307 (2022 - £25,483) and this expense has been allocated in full to unrestricted funds on the basis that it relates entirely to the running of the home.

# Villa Scalabrini

## Notes to the Financial Statements for the Year Ended 31 March 2023

### 21 Reserves

	Unrestricted revaluation reserve £	Total £
At 1 April 2022	123,270	123,270
Unrealised gain on investments	1,056	1,056
At 31 March 2023	124,326	124,326
	Unrestricted revaluation reserve £	Total £
At 1 April 2021	106,065	106,065
Unrealised gain on investments	17,205	17,205
At 31 March 2022	123,270	123,270

### 22 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>						
General	9,277,023	2,761,120	(2,361,920)	(1,673,802)	1,056	8,003,477
Designated	-	-	-	1,700,000	-	1,700,000
Revaluation reserve	123,270	-	-	1,056	-	124,326
<b>Total unrestricted funds</b>	9,400,293	2,761,120	(2,361,920)	27,254	1,056	9,827,803
<b>Restricted funds</b>	24,000	47,549	(20,295)	(27,254)	-	24,000
<b>Total funds</b>	9,424,293	2,808,669	(2,382,215)	-	1,056	9,851,803
	<b>Balance at 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>		<b>Balance at 31 March 2023 £</b>
<b>Restricted funds</b>						
RSA donation	24,000	22,120	(18,030)	(4,090)		24,000
Government grants	-	24,280	-	(24,280)		-
Ukraine appeal	-	1,149	(2,265)	1,116		-
	24,000	47,549	(20,295)	(27,254)		24,000

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
<b>Unrestricted</b>						
General	8,928,462	2,315,716	(2,118,240)	133,880	17,205	9,277,023
Revaluation reserve	<u>106,065</u>	<u>-</u>	<u>-</u>	<u>17,205</u>	<u>-</u>	<u>123,270</u>
<b>Total unrestricted</b>	9,034,527	2,315,716	(2,118,240)	151,085	17,205	9,400,293
<b>Restricted</b>	<u>31,480</u>	<u>143,605</u>	<u>-</u>	<u>(151,085)</u>	<u>-</u>	<u>24,000</u>
<b>Total funds</b>	<u><u>9,066,007</u></u>	<u><u>2,459,321</u></u>	<u><u>(2,118,240)</u></u>	<u><u>-</u></u>	<u><u>17,205</u></u>	<u><u>9,424,293</u></u>

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

The specific purposes for which the funds are to be applied are as follows:

The Designated funds have created by the Trustees for the costs related to the new wing. Work will commence next financial year and will provide additional rooms for residents as well as some staff accommodation.

The Restricted funds held are for:

Donations received in the year were from RSA Trust for Interior renovation, this work was carried out in the year. However the donation received in 2021 towards a new kitchen in the new dining room has still not been started but expects to be completed next financial year.

Government grants were received in relation to increased energy costs and to help retained staff.

Donations were received for the Ukraine appeal which the charity topped up and passed on in the year.

Fund transfers were:

RSA Donation- This transfer relates to a restricted fund donation which has been used for fixed asset, that will be used for a general not restricted purpose.

Government grant- This transfer relates to grants that were fully utilised in the year to help fund the costs detailed above.

Ukraine appeal- This transfer relates to the charity's own contribution towards this appeal.

Revaluation reserve- This transfer is to allocate the unrealised gain on investment in the year.

#### 23 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2023 £</b>
Tangible fixed assets	7,583,201	-	7,583,201
Fixed asset investments	288,284	-	288,284
Current assets	2,149,026	24,000	2,173,026
Current liabilities	(192,708)	-	(192,708)
Total net assets	<u>9,827,803</u>	<u>24,000</u>	<u>9,851,803</u>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2022 £</b>
Tangible fixed assets	7,651,536	-	7,651,536
Fixed asset investments	287,228	-	287,228
Current assets	1,617,113	24,000	1,641,113
Current liabilities	(155,584)	-	(155,584)
Total net assets	<u>9,400,293</u>	<u>24,000</u>	<u>9,424,293</u>

## Villa Scalabrini

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 24 Analysis of net funds

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,572,016	594,074	2,166,090
Net debt	1,572,016	594,074	2,166,090
	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	956,969	615,047	1,572,016
Net debt	956,969	615,047	1,572,016

#### 25 Related party transactions

During the year the charity made the following related party transactions:

##### Scalabrini Fathers Company

(Scalabrini Fathers Company is a registered with the Charity Commission under reference 1141084)

During the year Villa Scalabrini paid donations to Scalabrini Fathers totalling £33,000 (2022: £36,000) for the year. At the balance sheet date the amount due to/from Scalabrini Fathers Company was £Nil (2022 - £Nil).