

Charity Registration No. 1161889

Company Registration No. 9122440 (England and Wales)



**CALPE HOUSE LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# CALPE HOUSE LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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Patron	The Hon. Sir Joseph Bossano KCMG MP
Trustees	<div>The Lord Hoyle of Warrington</div> <div>Mr Albert A Poggio OBE GMH (Chairman)</div> <div>Mr Edward L Yome QPM CPM (Vice-Chairman)</div> <div>Commodore Ian McGhie MA FCMI RN (Rtd)</div> <div>Mr James John Neish KC</div> <div>Mr George R Desoisa</div> <div>Mrs Deborah A J Huxley</div> <div>Mr Jose Julio Pisharello FCCA GMD (Financial Director)</div> <div>Mr Charles Marfe GA (Deceased 04 April 2022)</div> <div>Mr James Andrew Noguera LLB LLM</div>
Chairman	Mr Albert A Poggio OBE GMH
Charity number	1161889
Company number	9122440
Registered office	<div>19 - 23 Norfolk Square</div> <div>London</div> <div>W2 1RU</div>
Auditor	<div>Cooper Young &amp; Partners Ltd</div> <div>Hunter House</div> <div>109 Snakes Lane West</div> <div>Woodford Green</div> <div>Essex</div> <div>IG8 0DY</div>
Bankers	<div>NatWest Bank Plc</div> <div>Gibraltar Savings Bank</div> <div>Gibraltar International Bank Ltd</div>

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# **CALPE HOUSE LIMITED**

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# **CALPE HOUSE LIMITED**

## **CHAIRMAN'S STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2023**

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Calpe House continues to be extremely busy; we have now had circa 8,500 patients and their escorts (some repeat visits) stay with us since the new building in Norfolk Square opened in August 2018. I believe that we are living up to our promise of providing a 'Home from Home' in London for patients at a time when they need it most.

I wish to thank the Board of Trustees for their unwavering dedication to the charity, their time and expertise is given without hesitation and on an entirely pro-bono basis. Each member of the Board brings something different to the table and plays a specific role which helps with the success of the charity, and for this I am truly grateful.

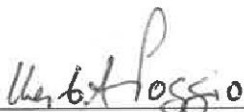
In addition, I wish to thank the sub-committee for their fundraising efforts, their initiatives and the hard work they put into events for Calpe House are inspiring, and greatly appreciated.

This year we have had a change in management staff at Calpe House, I would like to thank Dee Michaelides for her hard work and diligence, particularly during the Covid years. We welcomed our new Operations Manager, Michael Hunt, in September 2022. Michael and the team at Calpe House have worked tirelessly not only to deliver the Trustees vision of Calpe House but to make sure behind the scenes we are fully compliant with all regulations that relate to the building. They have maintained the high standard set by the trustees, thank you to the whole team.

I also wish to thank the Gibraltar Health Authority, and in particular the Sponsored Patients Department for the good relationship we enjoy with them whilst looking after their patients and escorts.

In addition, I wish to thank all of our Corporate Sponsors, fundraisers and everyone who has donated to Calpe House so generously and shown us their support.

Finally, a look to the future; August 2023 marked the fifth anniversary in our new building and as such we have some maintenance projects planned to keep the building in the best possible condition and make everyone's stay with us as comfortable as possible, therefore the support from our sponsors, contributors and fundraising efforts is as vital as ever.



**Mr Albert A Poggio OBE GMH**  
Chairman

18-9-2023

Date

# **CALPE HOUSE LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees' present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with Calpe House Limited's governing document (memorandum of association), the Companies Act 2006 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**

Calpe House Limited's objectives are to offer accommodation to patients and their escorts who have been referred for treatment to the United Kingdom under the Gibraltar Health Authority (GHA) sponsored patient scheme.

Calpe House Limited is responsible for the control and administration of funds which may be available together with the administration and control of freehold property at number 19-23 Norfolk Square, Paddington, W2 1RU, in the London borough of City of Westminster.

Calpe House Limited is actively advancing its objects for the public benefit. The potential beneficiaries of the charity include all those in Gibraltar affected by medical and health conditions and need to come to the UK for medical treatment. The Trustees' have paid due regard to guidance issued by the Charity Commission in deciding what activities Calpe House Limited should undertake.

### **Use of volunteers**

The volunteers are involved in general management and core activities of the Charity.

The Trustees would like to acknowledge the tremendous efforts of the volunteers and many supporters of the Charity for their continuous support in helping the Charity to achieve its objectives.

### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees' to present a strategic report.

### **Achievements and performance**

The Trustees are pleased to report that the premises at 19-23 Norfolk Square continue to be operating extremely well.

The Board is committed to ensuring that the premises continue to be of the highest standard. Calpe House will continue to work closely with the GHA to ensure the building's occupancy is managed efficiently and effectively, and as many patients and carers are able to stay there as possible.

# **CALPE HOUSE LIMITED**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Financial review**

#### Operating results

During the year ended 31 March 2023 Calpe House Limited generated incoming resources of £638,070 (2022: £681,079) and expensed resources of £557,328 (2022: £599,557). This has resulted in a surplus for the year of £80,742 (2022: £81,522).

#### Net asset position

At the end of the reporting period the charity reflects a net asset position of £7,230,594 (2022 - £7,149,852). Restricted funds amount to £200,000 (2022 – £200,000). The fair value of 19-23 Norfolk Square stands at £17.5m, unchanged from the prior year. The directors consider that this value is still appropriate as at 31 March 2023.

Cash resources are managed prudently to ensure sufficient liquidity and provide the ability, together with the support of The Friends of Calpe House, to maintain the premises at Norfolk Square in an excellent condition.

The long-term, interest free, loan from HM Government of Gibraltar (HMGOG) stands at £11,519,264 (2022: £11,519,264). There was no change during the year.

The financial controls of the charity are managed and controlled by the trustees without any remuneration.

### **Reserve policy**

It is the policy of Calpe House Limited that unrestricted funds which have not been designated for a specific use should be maintained, as a minimum, at a level equivalent to between three and six month's expenditure. The Trustees' consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Calpe House Limited's current activities while consideration is given to ways in which additional funds may be raised.

The trustees are grateful to the Friends of Calpe House for their continued support and acknowledges the receipt of £200,000 during 2020 in readiness for specific capital related expenditure projects and is expected to be utilized during the current financial year ending 31 March 2024. This contribution is classified as restricted.

### **Risk management**

The Trustees' have assessed the major risks to which Calpe House Limited is exposed and are satisfied that appropriate systems and controls are in place to mitigate against these risks.

### **Plans for future periods**

Whilst all COVID-19 restrictions have been removed, Calpe House Limited will continue to observe latest public health guidance and operate under the necessary controls and operational measures to meet these.

Calpe House Limited will continue to pursue its objectives in the forthcoming years as the Trustees shall determine.

# **CALPE HOUSE LIMITED**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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

Calpe House Limited is a company limited by guarantee without share capital constituted under a memorandum of association. The company was set up on 09 July 2014. The company was registered as charity on 28 May 2015 with registration number 1161889. (The charitable operation and assets were transferred from the Calpe House Charitable Trust on 11 March 2016). The Charity consists of nine Trustees who manage the activities of Calpe House Limited.

The Trustees form the Board of Management (BoM). The Trustees meet together as a body regularly and are responsible for all decisions taken in relation to running Calpe House Limited. The number of members of BoM shall never be less than three.

The Trustees', who are also the directors for the purpose of company law, and who served during the year were:

- The Lord Hoyle of Warrington
- Mr Albert A Poggio OBE GMH (Chairman)
- Mr Edward L Yome QPM CPM (Vice-Chairman)
- Commodore Ian McGhie MA FCMI RN (Rtd)
- Mr James Neish KC
- Mr George R Desoisa
- Mrs Deborah A J Huxley
- Mr Jose Julio Pisharello FCCA GMD (Financial Director)
- Mr James Andrew Noguera LLB LLM

When appointing new trustees to Calpe House Limited, the board of Trustees consider the skills, knowledge and experience of the individual in making the appointment. Notwithstanding this, the trustees acknowledge their collective responsibility over the strategic direction, governance and operations of the charity.

None of the Trustees' has 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 names of the current Directors and those who held office during the financial year are set out above. The Directors who are Charity Trustees for the purpose of Charities Act 2011, conduct the operation of the Calpe House Limited. The board of Directors meets regularly to discuss the affairs of Calpe House Limited as a whole.

None of the Trustees receive remuneration or other benefit from their work with Calpe House Limited.

### **The Friends of Calpe House**

All donations are held by the Friends of Calpe House at the disposal of Calpe House Limited.

The Friends of Calpe House is a Gibraltar registered charity, which is subject to independent examination, with the annual accounts filed with the Gibraltar Charity Commission.

# CALPE HOUSE LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

### Statement of Trustees' responsibilities

The Trustees', who are also the directors of Calpe House Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees' to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Calpe House Limited and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees' are required to:

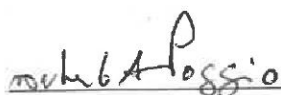
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Calpe House Limited will continue in operation.

The Trustees' are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of Calpe House Limited and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Calpe House Limited and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditor

In accordance with the company's articles, a resolution proposing that Cooper Young & Partners Ltd be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report, including the strategic report, was approved by the Board of Trustees'.



Mr Albert A Poggio OBE GMH  
Chairman



Mr Jose Julio Pisharello FCCA GMD  
Financial Director

18-9-2023

Date

# CALPE HOUSE LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES' OF CALPE HOUSE LIMITED

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#### Opinion

We have audited the financial statements of Calpe House Limited (the 'Calpe House Limited') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Calpe House Limited in accordance with the ethical requirements that are relevant to our audit of the accounts 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 directors' 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 entity'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 directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

# CALPE HOUSE LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES' OF CALPE HOUSE LIMITED

- the strategic report and the directors' report included within the 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 the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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, the Trustees', who are also the directors of the Calpe House Limited for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees' are responsible for assessing Calpe House Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees' either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- 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.
- Enquiring of management of whether they are aware of any non-compliance with laws and regulations.
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Discussions amongst the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified the potential for fraud in posting

# **CALPE HOUSE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES' OF CALPE HOUSE LIMITED**

of the unusual journals.

- Obtaining understanding of the legal and regulatory framework the group operates in focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations. The key laws and regulations we considered in this context included UK Companies Act, tax legislation, employment law and health and safety law.

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

- Performed analytical procedures to identify any unusual or unexpected relationships or transactions.
- Audited the risk of management override of controls, including through testing journal entries for appropriateness and reviewing large and unusual bank transactions.

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

- Agreeing financial statement disclosures to underlying supporting documentation.
- Enquiring of management as to actual and potential litigation claims.
- Reviewing latest profit and loss account items for evidence of litigation.

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the further removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors.

### **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.

Cooper Young & Partners Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

*Manish Sangani*

**Manish Sangani (Senior Statutory Auditor)**

**for and on behalf of Cooper Young & Partners Ltd**

**Chartered Accountants**

**Statutory Auditor**

18 / 09 / 2023

Hunter House  
109 Snakes Lane West  
Woodford Green  
Essex  
IG8 0DY

# CALPE HOUSE LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
<b><u>Income and endowments from:</u></b>							
Donations and grants	3	27,292	-	27,292	110,572	-	110,572
Charitable activities	4	572,165	-	572,165	537,135	-	537,135
Investments	5	17,256	-	17,256	32,872	-	32,872
Other income	6	21,357	-	21,357	500	-	500
<b>Total income</b>		<b>638,070</b>	<b>-</b>	<b>638,070</b>	<b>681,079</b>	<b>-</b>	<b>681,079</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	7	557,328	-	557,328	599,557	-	599,557
<b>Net income for the year/</b>							
<b>Net movement in funds</b>		<b>80,742</b>	<b>-</b>	<b>80,742</b>	<b>81,522</b>	<b>-</b>	<b>81,522</b>
<b>Fund balances at 1 April 2022</b>		<b>6,949,852</b>	<b>200,000</b>	<b>7,149,852</b>	<b>6,868,330</b>	<b>200,000</b>	<b>7,068,330</b>
Current year revaluation		-	-	-	-	-	-
<b>Fund balances at 31 March 2023</b>		<b>7,030,594</b>	<b>200,000</b>	<b>7,230,594</b>	<b>6,949,852</b>	<b>200,000</b>	<b>7,149,852</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# CALPE HOUSE LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2023

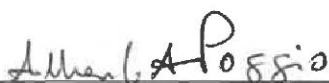
	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	10	17,645,015		17,680,381	
<b>Current assets</b>					
Debtors	11	94,894		33,397	
Current asset investments	12	842,821		638,667	
Cash at bank and in hand		193,665		356,436	
		1,131,380		1,028,500	
<b>Creditors: amounts falling due within one year</b>	13	(26,537)		(39,765)	
<b>Net current assets</b>		1,104,843		988,735	
<b>Total assets less current liabilities</b>		18,749,858		18,669,116	
<b>Creditors: amounts falling due after more than one year</b>	14	(11,519,264)		(11,519,264)	
<b>Net assets</b>		7,230,594		7,149,852	
<b>Income funds</b>					
Restricted funds		200,000		200,000	
General unrestricted funds		6,797,965		6,717,223	
Revaluation reserve		232,629		232,629	
		7,230,594		7,149,852	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The Trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Trustees' on 18-9-2023.



Mr Albert A Poggio OBE GMH  
Chairman



Mr Jose Julio Pisharello FCCA GMD  
Financial Director

Company Registration No. 9122440

# **CALPE HOUSE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Charity information**

Calpe House Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 19 - 23 Norfolk Square, London, W2 1RU.

#### **1.1 Basis of preparation and accounting convention**

The financial statements have been prepared in accordance with Calpe House Limited's memorandum of association, the Companies Act 2006 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 Calpe House Limited is a Public Benefit Entity as defined by FRS 102.

Calpe House Limited has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Calpe House Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised as historical cost or transactions value unless otherwise stated in the relevant accounting policy note(s).

#### **1.2 Going concern**

At the time of approving the financial statements, the Trustees' have a reasonable expectation that Calpe House Limited has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees' in furtherance of Calpe House Limited's charitable objectives unless the funds have been designated for other purposes and would be designated as 'restricted funds'.

Unrestricted funds include a revaluation reserve representing the restatement of freehold property at market value.

#### **1.4 Incoming resources**

Income is recognised when Calpe House Limited 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.

Income from room charges is accounted for on an accrual's basis.

Contributions and grants are recognised once Calpe House Limited has been notified of the grant and receipt is expected, unless performance or designation conditions require deferral of the amount.

#### **1.5 Resources expended**

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

# CALPE HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.6 Fund accounting

Unrestricted funds are available to spend on activities that further any for the purposes of Calpe House Limited. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds relate solely to grants received from the Friends of Calpe House which have been specified to be solely used for a particular purpose in Calpe House Limited.

#### 1.7 Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised at cost and depreciated over estimated useful economic lives on a straight-line basis as follows:

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Furniture, fixtures, fittings & equipment	15% straight line basis
IT and other equipment	15% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year. Fixed assets are held at historic cost less accumulated depreciation and impairment charges.

#### 1.8 Freehold property

Freehold property solely consists of the property at Norfolk Square. The property was initially recognised at cost, which includes the purchase cost and any directly attributable expenditure.

Freehold property is held under the revaluation model and is carried at a revalued amount, plus any additions after the last obtained professional valuation. The fair value is reviewed on an annual basis by the Trustees. The surplus or deficit on revaluation is recognised in Statement of Financial Activities.

Depreciation is not provided on the property as the residual value is not expected to be significantly different to the carrying value.

#### 1.9 Impairment of fixed assets

At each reporting end date, Calpe House Limited 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).

#### 1.10 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, less any bank overdrafts. Bank overdrafts would be shown within borrowings in current liabilities.

#### 1.11 Investments

Fixed asset investments are investments with a maturity of more than one year.

Current asset investments are investments with a maturity of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.

# CALPE HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 1 Accounting policies

(Continued)

##### 1.12 Financial instruments

Calpe House Limited only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Calpe House Limited has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when Calpe House Limited's contractual obligations expire or are discharged or cancelled.

##### 1.13 Employee benefits

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

Termination benefits are recognised immediately as an expense when Calpe House Limited is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.14 Retirement benefits

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

##### 1.15 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

# CALPE HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 2 Critical accounting estimates and judgements

In the application of Calpe House Limited'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.

##### Property valuation

Land and buildings are valued based on the last professional valuation adjusted for any additions and impairments since that date. The trustees do not consider the current market value to be materially different to the value disclosed.

##### Tangible fixed assets

The useful economic lives of non-current assets (excluding property) have been derived from the judgement of the Trustees, using their best estimate of written down period.

#### 3 Donations and grants

	Unrestricted funds general £	Restricted funds £	Total 2023 £	Total 2022 £
Friends of Calpe House	26,348	-	26,348	27,952
Gibraltar Health Authority ("GHA")	944	-	944	82,620
	<u>27,292</u>	<u>-</u>	<u>27,292</u>	<u>110,572</u>

A contribution of £26,348 (2022: £27,952) was made in 2023 by The Friends of Calpe House.

During the year a contribution of £944 (2022 - £82,620) was received from the GHA in full subsidy of Covid-19 related costs.

#### 4 Charitable activities

	2023 £	2022 £
Charitable activities (room charges)	<u>572,165</u>	<u>537,135</u>

#### 5 Income from Investments

	2023 £	2022 £
Interest receivable	<u>17,256</u>	<u>32,872</u>

# CALPE HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 6 Other income

	2023	2022
	£	£
Other income	21,357	500

Other income of £21,357 represents a successful insurance claim for loss of rental income and repairs to guest room.

### 7 Charitable activities

	2023	2022
	£	£
Employment and staff costs	269,671	268,083
Depreciation	60,882	57,055
Rates	13,502	29,268
Insurance	23,581	17,365
Electricity, gas and water	50,983	34,990
Repairs, maintenance and facilities management	49,456	26,638
Postage, stationery and minor office equipment	8,216	8,199
Telephone and internet	7,175	6,146
Travelling expenses	2,897	1,113
Legal and professional	10,446	12,900
Auditors' remuneration	10,857	10,146
Accountancy fees	3,456	3,200
Payroll administration fees	822	721
Cleaning	19,563	9,997
Bank charges	939	686
Subscriptions	629	737
Sundry expenses	11,193	17,447
Security expenses	6,065	8,636
Computer and IT support	6,051	3,609
Covid related costs (see note 3)	944	82,621
	557,328	599,557
Unrestricted funds	557,328	599,557

### 8 Trustees'

None of the Trustees' /Directors (or any persons connected with them) were reimbursed for expenses from the Calpe House during the year.

# CALPE HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	10	10
<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	£	£
Wages, salaries and staff costs	246,932	243,562
Social security costs	18,355	19,132
Staff training	108	500
Pension costs	4,276	4,889
	269,671	268,083

None of the employees emoluments exceed £60,000 during the current financial period.

### 10 Tangible fixed assets

	Land and buildings	Furniture, fixtures, fittings & equipment	IT and other equipment	Total Restated
	£	£	£	£
<b>Cost / Valuation</b>				
At 1 April 2022	17,500,000	353,395	26,973	17,880,368
Additions	-	12,453	13,063	25,516
At 31 March 2023	17,500,000	365,848	40,036	17,905,884
<b>Depreciation and impairment</b>				
At 1 April 2022	-	184,983	15,004	199,987
Depreciation charged in the year	-	54,877	6,005	60,882
At 31 March 2023	-	239,860	21,009	260,869
<b>Carrying amount</b>				
At 31 March 2023	17,500,000	125,988	19,027	17,645,015
At 31 March 2022	17,500,000	168,412	11,969	17,680,381

# CALPE HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 10 Tangible fixed assets

(Continued)

The accounting policy over freehold property is to reflect it at fair value with valuations undertaken by independent valuers at regular intervals on an open market value basis by reference to market evidence of transaction prices for similar properties.

##### 19-23 Norfolk Square

The property at 19-23 Norfolk Square reflects the value of £17.50 million as provided by Knight Frank as at July 2018. In the view of directors, this valuation still reflects the fair value of the property at 31 March 2023.

The cost of Norfolk Square, including refurbishment and other directly attributed expenditure, amounted to £17.27 million. The revaluation reserve amounts to £232,629 in order to reflect the property's agreed fair value of £17.50 million.

No depreciation is provided on freehold property.

#### 11 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Due from Gibraltar Health Authority	48,860	24,685
Other debtors	21,357	170
Prepayments and accrued income	24,677	8,542
	<u>94,894</u>	<u>33,397</u>

#### 12 Investments

	2023 £	2022 £
Gibraltar Savings Bank (1-month notice debenture)	100,000	100,000
Gibraltar Savings Bank (short term deposit)	35,549	33,517
Gibraltar International Bank (1-year fixed term deposit)	700,000	-
Gibraltar International Bank (short term deposit)	7,272	505,150
	<u>842,821</u>	<u>638,667</u>

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

	2023 £	2022 £
Trade creditors	-	11,950
Other taxation and social security	6,862	6,268
Due to Friends of Calpe House	121	1,216
Accruals and deferred income	19,554	20,331
	<u>26,537</u>	<u>39,765</u>

# CALPE HOUSE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 14 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Long term loans - HM Government of Gibraltar ("HMGoG")	11,519,264	11,519,264

The long term loan represent interest free advances from a HMGoG controlled company for the purchase and refurbishments costs of 19-23 Norfolk Square. These advances are repayable, although HMGoG have indicated their support for the Charity and that they will not seek repayment of the advances for the foreseeable future.

#### 15 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	17,645,015	-	17,645,015	17,680,381	-	17,680,381
Current assets/ (liabilities)	904,843	200,000	1,104,843	788,735	200,000	988,735
Long term liabilities	(11,519,264)	-	(11,519,264)	(11,519,264)	-	(11,519,264)
	<u>7,030,594</u>	<u>200,000</u>	<u>7,230,594</u>	<u>6,949,852</u>	<u>200,000</u>	<u>7,149,852</u>

#### 16 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

#### 17 Covid-19

Calpe House is fully operational, albeit with appropriate Covid-19 measures and precautions in place. The charity continues to work closely with the Gibraltar Health Authority (GHA) to ensure that its Covid-19 precautionary measures are appropriate and reflective of the latest medical guidance and advice.

#### 18 Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

During the year the charge to profit and loss account in respect of pension contribution was £4,276 (2022: £5,389).

At the balance sheet date contributions of £881 (2022: £1,007), relating to March 2023 deductions, were due to the fund and are included in creditors.

# **CALPE HOUSE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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### **19 . Company limited by guarantee**

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.