

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021  
FOR  
HOME OF COMFORT**

## HOME OF COMFORT

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**HOME OF COMFORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The objectives of the Charity remain those for which it was originally established in 1896: to manage a Nursing Home for the sick, providing charitable disbursement where necessary and thus providing care and comfort, alleviating need and distress.

### **About The Home of Comfort Nursing Home**

The Home of Comfort was founded in 1896 by Mother Emma, Head Deaconess of the Winchester diocese (of which the present Portsmouth diocese was a part until 1927). She had become concerned about the many elderly people who, when ill and lonely, had no one to care for them, so she raised enough money to buy the original house (called "Dowran") and opened it as the Home of Comfort for the Dying on St Andrew's Day, with just twelve residents.

The Home was originally registered as a Trust in 1909, and in 2019 it was incorporated as a Charitable Incorporated Organisation. These changes have been made so that, as far as possible, the Home can continue to carry out Mother Emma's wishes.

Today, as a Nursing Home, we provide 24-hour nursing care, with at least one registered nurse on duty day and night, and we are fully equipped to meet the needs of our residents. The Home is registered with the Care Quality Commission and is a member of the Registered Nursing Home Association and of the Hampshire Care Association.

Each of our residents has their own room, fully furnished; they may, if they wish, bring small items of their own furniture and have their own telephone and television. We have a light, sunny day-room and a larger dining room where activities such as parties, singing and bingo take place. Meals, all of which are prepared in house, may be served where-ever a resident prefers to have them.

Friends and relatives are welcomed, and we encourage their involvement in the lives of our residents. Our policy is to provide care and comfort for elderly people, supporting them to return to the community if possible, and nursing them to the ends of their lives if not. We hope we shall be able to continue doing this for many years to come.

### **Admission to the Home of Comfort**

The Home of Comfort is open to potential residents of all backgrounds and to those who need respite care as well as to permanent residents.

Our historic association with the Anglican Church remains part of our heritage and is in the minds of many who chose to come and live at the Home. Although there are no longer morning prayers or compulsory weekly services, we hold a monthly Communion Service at which all are welcome.

Through the support of the Charitable Trust, the Home supports those who do not have funds to pay for their own care to receive the same standard of support as those who are self-funding.

**HOME OF COMFORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**OBJECTIVES AND ACTIVITIES**

**Activities of the Charity**

The activities of the Home are regulated by the Care Quality Commission, and the Trustees and Management are responsible for ensuring that the Home meets the requirements of the CQC.

The management of the Home involves the employment of a large number of staff including nursing staff, carers, domestic staff and management.

It also requires the appropriate maintenance of the fabric and structure of the building owned by the Home, from which it operates.

**Public benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

The Home of Comfort is a registered Charity whose Charitable Purposes are:

"The relief of those in need by reason of age, ill health or terminal illness by such means as providing a nursing home and such other services and facilities as the charity trustees may from time to time determine. The charity trustees shall give preference to beneficiaries who are or who were formerly ordained or lay ministers of the Church of England or other workers connected with the Church of England."

Thus, public benefit is provided through the operation of the Home, at a time when good quality nursing home provision in the local area is in short supply, and in the provision of bursaries.

The Home provides bursaries to those residents whose care is funded by local authorities at a rate lower than the Home's usual rates. In such a way, the Home ensures that those who do not have funds of their own, or relatives able to pay for their care, have the opportunity to receive high quality nursing care without having to leave the area in which they wish to live and where they have family.

The charity was founded with the same objects as its predecessor, Home of Comfort for Invalids (Registered no 202191), and the wording of those objects was amended in 2020 with the consent of the charity commission to simplify it a little and to include 'other workers connected with the Church of England' as well as those who have been ministers.



## **HOME OF COMFORT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Performance during the year**

The coronavirus pandemic which begun during 2020 has had a major impact on care homes and on the Home of Comfort in particular which is likely to continue for several years.

The Home suffered an outbreak of Covid-19 in the first wave before testing had become available to providers of residential care. The limited testing available from Public Health England confirmed that three residents were positive for the infection, one of who died shortly after the result was received.

Many of the Home's staff also became ill during December 2021. Although all are now recovered.

The Home made use of staff agencies to manage this period of sickness, but with considerable uncertainty and rapidly changing advice, the winter time were particularly challenging.

A better understanding of how Covid-19 spreads enabled us to introduce appropriate infection prevention and control procedures during the year, and combined with the national care home testing program this has meant that the cases that arose in the autumn and winter remained isolated and did not spread within the Home. In addition, some of the home's staff were able to take up vaccinations offered.

Subsequent to year end, the Home's residents and many more staff have been vaccinated by GP visits to the Home.

Aside from the human and psychological effects, the pandemic has had a considerable financial impact on the care sector. Increase costs for PPE and staffing have considerable, though government has tried to address these with supplies of free PPE through the portal and several initiatives to ensure staff can be paid for isolating.

Across England, the number of people coming into care homes has reduced significantly, perhaps due to a combination of visiting restrictions, worries about whether a care home is a safe environment and furlough and flexible working meaning that friends and relatives have more time to offer informal care. Many placements are made on a temporary basis as part of a 'discharge to assess' pathway, or are for individuals at the very end of their lives, meaning that the average stay of new residents is shorter than it has ever been. These factors have considerably reduced occupancy, with average levels down between 20 and 30%. Fee income is unlikely to recover for some years (industry specialists LangBuisson estimate it may not be until 2028).

Several specialist reports, notably from the National Audit Office, the Parliamentary Health and Social Care Select Committee and Skills for Care, have identified how the pandemic has worsened pre-existing issues in the social care sector, primarily workforce and funding. As yet the government has not brought forward any new proposals, although there continue to be promises that the scale of the issue is recognised.

Locally, Portsmouth City Council are pursuing a strategy of minimal use of residential settings, with more individuals being cared for at home, and in 'half-way' accommodation such as extra-care and supported living schemes. With social care budgets under ever more pressure, these solutions allow living costs to be paid by individuals, or housing benefit. The council anticipate a 'market correction' in the short to medium term with some providers closing or adapting their services.

During this period of transition, the Trustees expect the Home to be loss making due to reduced fees. They are also mindful that there are a number of areas where investment needs to be made in the fabric of the building to ensure it remains attractive to those looking for care.

They feel confident that as a non-profit making home with an excellent reputation locally people will still want to come here, and that the Home's reserves are sufficient to allow them to manage this period.

##### **Activities During 2021**

## **HOME OF COMFORT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

Running activities for residents during the last year has been very challenging, and a number of permanent and temporary staff have worked hard to make sure that we have some provision of one-to-one activities while visits and group sessions have not been possible. These have included pamper sessions and telephone and online calls with friends and family members.

Those visits which could take place from the summer were of great benefit to residents. These were by appointment only and socially distanced.

#### **Premises Improvements During 2021**

The home had started in December 2021 to re install new flooring throughout the home; we are anticipating this to end around May 2022. The home will also need to start replacing fire doors. We are looking at having a maintenance plan in place for the next few years.

**HOME OF COMFORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**FINANCIAL REVIEW**

A review has been taken of the financial position of the Charity and has proved to be satisfactory in all respects. Expenditure has exceeded income by £11,467 this year. Although nursing and caring income has increased due to the increased room rates, expenditure has also increased due to increasing staff costs and the costs of maintenance and improvements to the buildings.

The principal funding sources of the Home are residents' fees, donations and legacies sufficient to cover all expenditure incurred. Fees received for social services patients are less than private patients, with the shortfall being subsidised by the Home. The cost to the Home for these subsidies in 2021 was £67,611 (2020: £56,894).

The Home has an investment portfolio which is managed by Octopus Investments (the partner of CAF bank). The funds are invested in a low risk category providing a balance between income and growth. The balance of the Home's portfolio as at 31 December 2021 had increased to £1,307,645 (2020: £1,385,898).

The Home also has approximately £16,000 (2020: £26,000) placed on short term notice deposit accounts.

**Reserves**

The Charity has always had a policy of retaining sufficient reserves to cover any major structural works to the property, bearing in mind the building is over 120 years old. Although they should run for many years, systems such as the heating and hot water, and also the two lifts, are extremely expensive to replace when this becomes necessary. The Trustees feel it is essential to maintain reserves that would cover any contingency that should arise with the building or facilities at the Home.

Reserves are also necessary for the day-to-day running of the Home's operations, in case of late payment by a major customer (Portsmouth City Council) or other contingency or emergency.

The Trustees feel the levels of reserves are sufficient for the Home to fulfil its objectives.

**Investment Powers**

The Charity has the power to make any investment which the Trustees see fit.

**Risk Management**

The Trustees have identified the principal risks to the Charity and documented these in the Reserves and Investment policy, which aims to ensure that sufficient reserves are held to mitigate those risks.

The risks identified may be summarised as:

- Increasing care needs (leading to a requirement to have more staff and/or equipment),
- Insufficient public funding for care increasing the bursary necessary to support Local Authority funded residents,
- Reduced occupancy,
- Some catastrophic event causing damage to the Home's premises,
- A safeguarding or other resident welfare emergency,
- A major HR issue,
- More existential risks due to a major event outside of the Home's control, such as a 'no-deal Brexit' disruption supplies and causing increased costs.

The Home has a Business Continuity Plan in place and regularly reviews measures that can reduce both the likelihood of any of the above, and their potential impact.

**FUTURE PLANS**

The Trustees have a Development Plan for the Charity and the Home and once the immediate impact of Covid-19 has passed intend to resume this program of work.

## HOME OF COMFORT

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The governing document is a Constitution based on the Charity Commission model for a CIO.

##### Recruitment and appointment of new trustees

The appointment and recruitment of new Trustees is by personal recommendation by existing Trustees. The Home has a written policy setting out the process of recruitment and induction of new Trustees.

##### Organisational structure

The organisational structure of the charity is made up of a Board of Trustees and two managers (the Matron and Administration Manager). Major decisions are taken by Trustees (e.g. major capital expenditure, changes to key policy), and day to day operational decisions by the Matron and Administration Manager, with support as appropriate.

The Board of Trustees meets approximately six times a year to receive financial, maintenance, residents and other reports from the Matron and the Administration Manager, and to review the implementation of budgets and strategy.

##### Induction and training of new trustees

Induction of a Trustee takes place at an interview before their appointment, and at the initial Trustees meeting attended by the new Trustee; copies of Charity Commission literature and information about the Home are provided according to the Home's policy on the recruitment of new Trustees. The Home has arranged training for Trustees in Charitable Governance and in relevant clinical matters.

##### Key management remuneration

In setting appropriate levels of remuneration for the key management personnel at the Home, the Trustees consider rates of pay for equivalent positions both within the Nursing Home sector and in other related positions. This is done by observing job advertisements in Nursing publications and online, checking published NHS rates of pay, and speaking informally to representatives from other Homes and to other clinical personnel.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Charity number

1163224

##### Principal address

17 Victoria Grove  
Southsea  
Hampshire  
PO5 1NF

##### Trustees

M S Smy (Chair)  
F Matthews (Hon Treasurer) - (Resigned March 2022)  
S King  
Rev. G Evans-Harris  
D Bridger  
R Lawson

##### Administration Manager

C Silva

##### Matron & CQC Registered Manager

D Anil

**HOME OF COMFORT**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Auditors**

P Underwood  
FCCA  
Morris Crocker Limited  
Chartered Accountants  
Statutory Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

**Bankers**

CAF Bank  
25 Kings Hill Avenue  
West Malling  
Kent  
MR19 4JQ

**Solicitors**

Lester Aldridge  
Russell House  
Oxford Road  
Bournemouth  
BH8 8EX

**Investment Portfolio Managers**

Aberdeen Standard  
Bow Bells House  
1 Bread Street  
EC4M 9HH

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HOME OF COMFORT

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021

Approved by order of the board of trustees on 09/06/2022 and signed on its behalf by:

  
Mrs M S Smy - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HOME OF COMFORT**

### **Opinion**

We have audited the financial statements of Home of Comfort (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 financial statements are authorised for issue.

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

### **Other information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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



## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HOME OF COMFORT**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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



**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
HOME OF COMFORT**

**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.



for and on behalf of Morris Crocker Limited  
Chartered Accountants  
Statutory Auditors  
Station House  
North Street  
Havant  
Hampshire  
PO9 1QU

Date: 14 July 2022

## HOME OF COMFORT

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	1,103	-	1,103	3,908
<b>Charitable activities</b>	4				
Nursing and caring		1,441,842	-	1,441,842	1,287,288
Investment income	3	29	-	29	16,666
<b>Total</b>		<u>1,442,974</u>	<u>-</u>	<u>1,442,974</u>	<u>1,307,862</u>
<b>EXPENDITURE ON</b>					
Raising funds	5	2,100	-	2,100	2,287
<b>Charitable activities</b>	6				
Nursing and caring		1,553,254	-	1,553,254	1,457,731
<b>Total</b>		<u>1,555,354</u>	<u>-</u>	<u>1,555,354</u>	<u>1,460,018</u>
Net gains on investments		123,847	-	123,847	51,350
<b>NET INCOME/(EXPENDITURE)</b>		<u>11,467</u>	<u>-</u>	<u>11,467</u>	<u>(100,806)</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		1,532,122	-	1,532,122	1,632,928
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,543,589</u></u>	<u><u>-</u></u>	<u><u>1,543,589</u></u>	<u><u>1,532,122</u></u>

The notes form part of these financial statements

## HOME OF COMFORT

BALANCE SHEET  
31 DECEMBER 2021

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	12	141,779	147,311
Investments	13	1,307,645	1,385,898
		<u>1,449,424</u>	<u>1,533,209</u>
<b>CURRENT ASSETS</b>			
Debtors	14	13,118	18,450
Cash at bank and in hand		165,781	67,877
		<u>178,899</u>	<u>86,327</u>
<b>CREDITORS</b>			
Amounts falling due within one year	15	(84,734)	(87,414)
		<u>94,165</u>	<u>(1,087)</u>
<b>NET CURRENT ASSETS</b>			
		<u>94,165</u>	<u>(1,087)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,543,589</u>	<u>1,532,122</u>
<b>NET ASSETS</b>		<u>1,543,589</u>	<u>1,532,122</u>
<b>FUNDS</b>	17		
Unrestricted funds		<u>1,543,589</u>	<u>1,532,122</u>
<b>TOTAL FUNDS</b>		<u>1,543,589</u>	<u>1,532,122</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 09.06.2022 and were signed on its behalf by:

  
M S Smy - Trustee

**HOME OF COMFORT**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(85,867)	(133,831)
Net cash used in operating activities		<u>(85,867)</u>	<u>(133,831)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(18,358)	-
Purchase of fixed asset investments		-	(174,915)
Sale of fixed asset investments		202,100	183,239
Interest received		29	703
Dividends received		-	15,963
Net cash provided by investing activities		<u>183,771</u>	<u>24,990</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>97,904</u>	<u>(108,841)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>67,877</u>	<u>176,718</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>165,781</u></u>	<u><u>67,877</u></u>

The notes form part of these financial statements

# HOME OF COMFORT

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

### 1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	11,467	(100,806)
<b>Adjustments for:</b>		
Depreciation charges	23,890	23,659
Gain on investments	(123,847)	(51,350)
Interest received	(29)	(703)
Dividends received	-	(15,963)
Decrease in debtors	5,332	7,668
(Decrease)/increase in creditors	(2,680)	3,664
<b>Net cash used in operations</b>	<u>(85,867)</u>	<u>(133,831)</u>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
<b>Net cash</b>			
Cash at bank and in hand	67,877	97,904	165,781
	<u>67,877</u>	<u>97,904</u>	<u>165,781</u>
<b>Total</b>	<u>67,877</u>	<u>97,904</u>	<u>165,781</u>

## HOME OF COMFORT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties regarding the charity's ability to continue as a going concern.

##### **Income**

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

##### **Expenditure**

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

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 10% on cost
Fixtures and fittings	- 20% on cost

Individual fixed assets costing £500 or more are capitalised at cost.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Pension costs and other post-retirement benefits**

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

## HOME OF COMFORT

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1. ACCOUNTING POLICIES - continued

##### Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable investments in stocks and shares. The measurement basis used for these instruments is detailed below.

##### Fixed asset investments

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities include the net gains and losses arising on revaluation and disposal throughout the year.

##### Debtors and cash at bank

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and in hand includes cash held on deposit or in a current account.

##### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

##### Bursaries

In order that persons on a lower income can benefit, Bursaries are awarded to those residents who are unable to meet the full cost of fees. The difference between the fees payable and the amount received from local authorities is shown as Bursaries in the financial statements.

#### 2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	<u>1,103</u>	<u>3,908</u>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

#### 3. INVESTMENT INCOME

	2021	2020
	£	£
Income from shares	-	15,963
Deposit account interest	29	703
	<u>29</u>	<u>16,666</u>

All investment income is derived from assets held in the United Kingdom.

# HOME OF COMFORT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

### 4. INCOME FROM CHARITABLE ACTIVITIES

		2021 £	2020 £
Fees	Activity		
	Nursing and caring	1,347,684	1,226,274
Other incoming resources	Nursing and caring	27	344
Grants	Nursing and caring	94,131	60,670
		<u>1,441,842</u>	<u>1,287,288</u>

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

	2021 £	2020 £
COVID-19 support	<u>94,131</u>	<u>60,670</u>

### 5. RAISING FUNDS

#### Investment management costs

	2021 £	2020 £
Portfolio management	<u>2,100</u>	<u>2,287</u>

### 6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Nursing and caring	<u>1,385,843</u>	<u>167,411</u>	<u>1,553,254</u>

### 7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	1,222,902	1,117,754
Agency costs	8,319	34,578
Sundries	12,779	6,397
Provisions	40,904	40,184
Medical and comfort supplies	21,745	28,121
Staff advertisements and training	5,493	970
Staff uniforms	861	1,750
Registration fee	5,229	6,077
Bursaries	67,611	56,894
	<u>1,385,843</u>	<u>1,292,725</u>



# HOME OF COMFORT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

### 8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Nursing and caring	<u>155,538</u>	<u>11,873</u>	<u>167,411</u>

Support costs, included in the above, are as follows:

#### Management

	2021 Nursing and caring £	2020 Total activities £
Wages	43,382	43,819
Rates and water	7,240	4,038
Insurance	8,750	7,473
Light and heat	22,075	20,236
Telephone	2,903	2,186
Postage and stationery	1,243	3,586
Repairs and renewals	32,322	32,290
Cleaning	11,772	10,726
Legal and professional	1,760	4,474
Bank charges	201	148
Depreciation of tangible assets	23,890	23,658
	<u>155,538</u>	<u>152,634</u>

#### Governance costs

	2021 Nursing and caring £	2020 Total activities £
Wages	5,453	5,952
Audit fees	5,520	5,520
Auditors' remuneration for non audit work	900	900
	<u>11,873</u>	<u>12,372</u>

### 9. TRUSTEES' REMUNERATION AND BENEFITS

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

# HOME OF COMFORT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

### 9. TRUSTEES' REMUNERATION AND BENEFITS - continued

#### Trustees' expenses

During the year no (2020: one) trustee was reimbursed out of pocket expenses.

### 10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	1,155,336	1,070,139
Social security costs	87,707	76,940
Other pension costs	28,694	20,446
	<u>1,271,737</u>	<u>1,167,525</u>

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

	2021	2020
Direct	59	58
Management	<u>1</u>	<u>1</u>
	<u>60</u>	<u>59</u>

No employees received emoluments in excess of £60,000.

The average number of full-time equivalent employees (including casual and part-time staff) during the year was 40 (2020: 40).

The Charity considers its key management personnel comprise the trustees and the Administration Manager. The total employment benefits including employer pension contributions of the key management personnel were £48,836 (2020: £49,771).

The Administration Manager's salary has been classified as partly charitable activities expenditure and partly governance costs.

### 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	3,908	-	3,908
<b>Charitable activities</b>			
Nursing and caring	1,226,618	60,670	1,287,288
Investment income	<u>16,666</u>	<u>-</u>	<u>16,666</u>
<b>Total</b>	<u>1,247,192</u>	<u>60,670</u>	<u>1,307,862</u>
<b>EXPENDITURE ON</b>			
Raising funds	2,287	-	2,287
<b>Charitable activities</b>			
Nursing and caring	<u>1,397,061</u>	<u>60,670</u>	<u>1,457,731</u>
<b>Total</b>	<u>1,399,348</u>	<u>60,670</u>	<u>1,460,018</u>

# HOME OF COMFORT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

### 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Net gains on investments	51,350	-	51,350
<b>NET INCOME/(EXPENDITURE)</b>	(100,806)	-	(100,806)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	1,632,928	-	1,632,928
<b>TOTAL FUNDS CARRIED FORWARD</b>	1,532,122	-	1,532,122

### 12. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 January 2021	151,514	147,262	116,173	414,949
Additions	-	18,358	-	18,358
At 31 December 2021	151,514	165,620	116,173	433,307
<b>DEPRECIATION</b>				
At 1 January 2021	68,165	106,372	93,101	267,638
Charge for year	3,030	11,277	9,583	23,890
At 31 December 2021	71,195	117,649	102,684	291,528
<b>NET BOOK VALUE</b>				
At 31 December 2021	80,319	47,971	13,489	141,779
At 31 December 2020	83,349	40,890	23,072	147,311

All the above assets are used for the direct furtherance of the charity's objectives.

### 13. FIXED ASSET INVESTMENTS

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2021	1,385,898
Disposals	(202,100)
Revaluations	123,847
At 31 December 2021	1,307,645
<b>NET BOOK VALUE</b>	
At 31 December 2021	1,307,645
At 31 December 2020	1,385,898

## HOME OF COMFORT

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**13. FIXED ASSET INVESTMENTS - continued**

There were no investment assets outside the UK.

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Other debtors	5,711	11,901
Prepayments and accrued income	7,407	6,549
	<u>13,118</u>	<u>18,450</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Social security and other taxes	18,466	17,587
Other creditors	2	17,384
Accrued expenses	66,266	52,443
	<u>84,734</u>	<u>87,414</u>

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Fixed assets	141,779	-	141,779	147,311
Investments	1,307,645	-	1,307,645	1,385,898
Current assets	178,899	-	178,899	86,327
Current liabilities	(84,734)	-	(84,734)	(87,414)
	<u>1,543,589</u>	<u>-</u>	<u>1,543,589</u>	<u>1,532,122</u>

**17. MOVEMENT IN FUNDS**

	At 1.1.21	Net movement in funds	At 31.12.21
	£	£	£
<b>Unrestricted funds</b>			
General fund	1,532,122	11,467	1,543,589
<b>TOTAL FUNDS</b>	<u>1,532,122</u>	<u>11,467</u>	<u>1,543,589</u>

# HOME OF COMFORT

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

### 17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,442,974	(1,555,354)	123,847	11,467
<b>TOTAL FUNDS</b>	<u>1,442,974</u>	<u>(1,555,354)</u>	<u>123,847</u>	<u>11,467</u>

### Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	1,632,928	(100,806)	1,532,122
<b>TOTAL FUNDS</b>	<u>1,632,928</u>	<u>(100,806)</u>	<u>1,532,122</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,247,192	(1,399,348)	51,350	(100,806)
<b>Restricted funds</b>				
Portsmouth City Council Covid Support Fund	51,780	(51,780)	-	-
HMRC Covid Support Fund	8,890	(8,890)	-	-
	<u>60,670</u>	<u>(60,670)</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>1,307,862</u>	<u>(1,460,018)</u>	<u>51,350</u>	<u>(100,806)</u>

### Portsmouth City Council Covid Support Fund

Being monies received from Portsmouth City Council in relation to the Adult Social Care Infection Control Fund to be spent on expenditure caused by the Covid 19 pandemic.

### HMRC Covid Support Fund

Being monies received from HMRC in relation to the Coronavirus Job Retention Scheme and Coronavirus Statutory Sick Pay Rebate Scheme to reimburse staff costs during the Covid 19 pandemic.

**HOME OF COMFORT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**18. RELATED PARTY DISCLOSURES**

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

**19. ULTIMATE CONTROLLING PARTY**

The Charity is under the control of its Trustees. No one Trustee has sufficient control over the Charity.