

ALEXANDRA HOUSE

(Royal United Services Short Stay Residence for Service Children)

TRUSTEES ANNUAL REPORT

Charity Registration number	202922
Covering the Accounting Year	1 May 2020 to 30 April 2021
Address	20 Crownhill Fort Road Crownhill Plymouth PL6 5BX
Governing Document	Administered by a Charitable Trust (the “green book” – revised 2001).
Object	To relieve and assist children of Service personnel who are temporarily unable to care for them due, for example, to sudden illness, matrimonial problems or other domestic emergency, and to reduce the likelihood of such emergencies in the future for families who may be vulnerable due, for example to illness, social isolation or disability. In recent times this object has been broadened to include full time and sessional day care provision for children aged up to five years of age.
Trustees	Commodore P Waterhouse Royal Navy Commander A C Burns OBE Royal Navy Mr R Davey Mr D Richmond
Appointment of Trustees	The Objects, Rules, Government and General Information of the Charity (last reprinted 2012) state that there shall not be more than six trustees. The trustees shall initially be invited, by the President, to serve for a period of five years. They may be invited to serve for a further period of five years. The appointment shall be ratified at the next Annual General Meeting.
Trustee Induction and Training	New trustees undergo an orientation day to brief them on their legal obligations under charity law, the trustee decision-making processes, the business plan and recent financial performance of the charity. During induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Bankers

CAF Bank
25 Kings Hill Avenue
West Malling
Kent ME19 4TA

Independent Examiner

Peter Nicholls MBE MAAT
5 Nursery Road
Havant
Hants PO9 3BG

The Activities of the Charity

The charity provided flexible childcare for approximately 145 children up to the age of 5 during 19/20. There were 105 on the roll at Apr 21. The charity continued to offer Ofsted registered childcare to Service and civilian families and offered ongoing support for parents and carers. The charity continued to work alongside other agencies ensuring that a child's needs are primary and individual to each child.

Alexandra House continued to raise the awareness of its support available to families within the local community and to a wider audience across the city.

The charity continued to liaise with the Royal Navy and Royal Marines Welfare to maintain the Service Level Agreement and worked in close partnership with the LEA and Ofsted.

Staff members were encouraged to maintain high levels of training to continue to improve practice.

Financial Review

Despite the restrictions of Covid 19, Alexandra House kept operating for most of the year. The value of the fund had increased by £7.1K to £481.8K, although the bulk of this was represented by the value of the property at £379.3K. HMRC and the local authority had provided grants. The unrestricted funds were worth £102.6K. The main movements in the fund were as follows:

- An operating gain - £5.4K
- An unrealised gain in the value of the investment - £9K.
- Both were offset by write down of the value of the property -£7.3K.

Investment Selection Policy

Reserves are held in an M&G charity fund primarily for generation of income rather than for growth. The trustees are aware of the vagaries of the stock market, which led to an increase in value this year, but seek to get the benefits of dividend rates rather than the negligible returns from cash deposits.

Reserves Policy

The Trustees have considered the level of reserves they aspire to hold for the charity's needs. This is held in the investment which was valued at £31.3K. The trustees aim to ensure that the charity will be able to continue to fulfil its charitable objectives even when there is a temporary shortfall in income e.g. adverse demographics in the area, or unexpected expenditure. Reserves are generated by parental paid fees, as opposed to Government funding, which may only be utilised in accordance with Ofsted regulations.

Risk Assessment

The Trustees actively review the major risks that the charity faces on a regular basis. In particular those relating to safety and security of staff and children and the financial status of the fund and are satisfied that systems are in place to mitigate any exposure to the major risks. Other risks centre on the change in numbers of children in the area and competition from other preschool facilities, some government funded, in the area. Low level welfare statistics are recorded and procedures are in place to record health and safety, safeguarding and risk factors.

Public Benefit Statement

This fund provides public benefit by advancement of the education of pre-school children. The Trustees confirm that they have paid due regard to the Charity Commission of England and Wales's guidance on public benefit in exercising their powers or duties.

Declaration

I declare in my capacity of charity trustee, that

- The trustees have approved the report above; and
- Have authorised me to sign it on their behalf.

Signed on Original

D Richmond
Trustee

23 June 2021

Independent Examiner's Report to the Trustees of Alexandra House (Royal United Service Short Stay Residence for Service Children)

I report on the accounts of the Charity for the year ended 30 April 2021, which are set out in pages 1 to 5.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a licenced member of the Association of Accounting Technicians.

It is my responsibility to

- Examine the accounts under section 145 of the 2011 Act;
- To follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustee for any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

- (1) Which gives me reasonable cause to believe that in any material respect the requirements
 - To keep accounting records in accordance with section 130 of the 2011 Act, and
 - To prepare accounts that accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed on Original

P A Nicholls MBE MAAT
5 Nursery Road
Havant
Hants PO9 3BG

23 June 2021

ALEXANDRA HOUSE

Royal United Service Short Stay Residence for Service Children

Registered Charity No: 202922

BALANCE SHEET

30-Apr-21

				<u>30-Apr-20</u>
	Notes			
<i>Fixed Assets</i>				
Leasehold Interest	5 & 1	£ 379,265		£ 386,559
Investment	5A	<u>£ 31,378</u>		<u>£ 22,337</u>
		£ 410,643		£ 408,896
<i>Current Assets</i>				
Debtors	8	£ 1,651		£ 7,730
Bank Account		<u>£ 128,833</u>		<u>£ 121,166</u>
Total Current Assets		£ 130,483		£ 128,895
<i>Less Liabilities</i>				
Creditors (within one year)	9	<u>£ (59,284)</u>		<u>£ (63,089)</u>
Net Current Assets		£ 71,199		£ 65,807
Total Assets		<u>£ 481,842</u>		<u>£ 474,703</u>
The funds of the charity				
Endowment Funds	5	£ 379,265		£ 386,559
Unrestricted Funds		<u>£ 102,577</u>		<u>£ 88,144</u>
		<u>£ 481,842</u>		<u>£ 474,703</u>

Approved
on behalf of all of the trustees

Signed on Original

D Richmond
Trustee
23 June 2021

ALEXANDRA HOUSE

STATEMENT OF FINANCIAL ACTIVITIES

For 12 months ended 30 April 2021

						16 months to 30-Apr-20 Totals
Income	Notes	Unrestricted Funds	Endowment Fund	Totals		
Donations		£ 25,212	£ -	£ 25,212		£ 5,483
Charitable Activities		£ 323,756	£ -	£ 323,756		£ 470,467
Other Activities		£ 438	£ -	£ 438		£ 233
Investment Income		£ 1,218	£ -	£ 1,218		£ 3,105
Total Income	2	£ 350,624	£ -	£ 350,624		£ 479,288
Expenditure						
Charitable Activities		£ 345,231	£ -	£ 345,231		£ 439,242
Other Costs	5A	£ -	£ 7,294	£ 7,294		£ 7,294
Total Expenditure		£ 345,231	£ 7,294	£ 352,525		£ 446,536
Net income (expenditure)	3	£ 5,392	£ (7,294)	£ (1,902)		£ 32,752
Gains (or losses) on Investments		£ 9,041	£ -	£ 9,041		£ (6,863)
Total Funds brought forward		£ 88,144	£ 386,559	£ 474,703		£ 448,814
Total Funds carried forward		£ 102,577	£ 379,265	£ 481,842		£ 474,703

Notes to the Accounts

Note 1 - Accounting policies

The financial statements are prepared under the historic cost convention (as modified by the revaluation of fixed asset investments) and in accordance with applicable accounting standards: Charities Statement of Recommended Practice 2019 and the provisions of the Charities Act 2011. Significant policies adopted are:

Incoming resources:

- Donations are included in the Statement of Financial Activities (SOFA) when the fund becomes entitled to the donation or grant and it is reasonably certain that it will be received.
- Incoming resources from fund raising are reported gross in the SOFA
- Intangible income is not included in the accounts.
- The fund receives no unpaid volunteer help, other than work experience students. Staff members may occasionally work without pay when trialling new schemes.

Expenditure and Liabilities are recognised as soon as there is a legal or constructive obligation committing the fund to the expenditure.

Assets -Tangible assets are capitalised if they can be used for more than one year and cost at least £500. They are valued at cost or a reasonable value on receipt. The fund does not have a policy of revaluation. Depreciation is annual at 50% in the first year then 25% over the next two years. The building will be depreciated over the remainder of the lease.

Permanent Endowment Fund

The permanent endowment fund represents the receipt of monies from the Nuffield Trust (£442,674) and specific donations from other sources.. This fund was established in 1999 and was for the singular purpose of relocating Alexandra House to purpose built premises. Depreciation has been charged on the property and it is to be written off over its remaining 52 years of its lease.

Note 2 - Income	<u>12 mths to 30 Apr 21</u>	<u>16 mths to 30 Apr 20</u>
<i>Donations</i>		
Grants	£ 6,300	£ 4,483
Furlough Grants	£ 15,448	£ -
Isolating Grants	£ 2,464	£ -
Apprentice Grant	£ 1,000	£ 1,000
	£ 25,212	£ 5,483
<i>Charitable Activities</i>		
Local Authority Funding	£ 275,068	£ 355,967
Additional Local Authority Funding	£ 15,999	£ 13,120
Parental Contributions	£ 32,689	£ 101,380
	£ 323,756	£ 470,467
<i>Other Trading Activities</i>		
Fundraising	£ 75	£ 118
Sundry Income	£ 363	£ 115
	£ 438	£ 233
<i>Investment Income</i>		
Dividends	£ 1,169	£ 2,973
Bank Interest	£ 49	£ 132
	£ 1,218	£ 3,105
Total Income	£ 350,624	£ 479,288

Note 3 - Expenditure

<i>Charitable Activities</i>		
<i>Operating Costs</i>		
Wages & National Insurance	£ 228,654	£ 287,342
Pension Contributions	£ 9,293	£ 9,900
Agency Cover	£ 299	£ 1,893
Cleaning	£ 3,923	£ 9,643
Maintenance	£ 10,821	£ 9,194
Gas & Electricity	£ 3,583	£ 2,854
Rent	£ 350	£ 350
Rates	£ -	£ 6,273
Water	£ 1,060	£ 1,989
Refuse	£ 1,651	£ 2,899
Food	£ 6,351	£ 12,283
Nursery resources	£ 3,474	£ 2,098
Uniform	£ 889	£ 531
First Aid Supplies	£ 51	£ -
Miscellaneous Expenses	£ 309	£ 634
Insurance (incl Trustees)	£ 4,221	£ 6,081
<i>Governance Costs</i>		
Independent Examination fees	£ 625	£ 615
<i>Support Costs</i>		
Salaries & Wages	£ 49,718	£ 63,239
Support Staff Pensions	£ 769	£ 1,115
Staff Training	£ 1,298	£ 750
Staff Events & Team days	£ 953	£ 1,277
Computing	£ 2,673	£ 4,995
Telephone	£ 2,148	£ 2,237
Office Consumables	£ 3,332	£ 3,643
Advertising	£ -	£ 58
Recruitment	£ 145	£ 366
Licences & Subscriptions	£ 182	£ 1,396
Ofsted Registration Fees	£ 2,140	£ 50
Professional Fees	£ 3,119	£ 1,961
Equipment/Furniture	£ 2,881	£ 2,574
Bank & Card Charges	£ 318	£ 1,005
	£ 345,231	£ 439,242
<i>Other Costs</i>		
Leasehold property	£ 7,294	£ 7,294
Total Expenditure	£ 352,525	£ 446,536

Note 5 - Tangible Fixed Assets - Leasehold Interests - Endowment Fund

Alexandra House - Crownhill	£ 386,289
Depreciation	Note 1 <u>£ (7,294)</u>
	<u>£ 378,995</u>

Note 5A - Investments

M & G Securities Charifund Income	£ 22,337	at 30 Apr 20
Gain in market value	<u>£ 9,041</u>	
	<u>£ 31,378</u>	at 30 Apr 21

Note 6 - Paid Employees

- a. The Charity has paid employees, average numbers were 22. All are employed directly on the charity's objectives. None was paid in excess of £60,000 in this year or last.
- b. Staff wage costs were £288,433 (Previous 16 month year £361,594)
- c. Employer's National Insurance Costs were £10469 (Previous 16 month year - £13358)

Note 7 - Trustee and Other Related Parties

- a. No expenses or emoluments have been paid to the Trustees
- b. There were no amounts due to or from the Trustees

Note 8 - Debtors and Prepayments

Prepaid - Front Door	£ 751
Outstanding Parental Fees	£ 254
Dividends	£ 236
HMRC Furlough Grant - Apr 21	<u>£ 410</u>
	<u>£ 1,651</u>

Note 9 - Creditors and Accruals

PCC Paid in Advance	£ 54,887
HMRC - PAYE	£ 783
Pensions	£ 837
Peake GB (Nappies)	£ 55
Clarity Copiers	£ 57
Electricity	£ 235
Gas	£ 653
Focus Phones	£ 88
Carpentry	£ 747
Local Purchases	£ 153
Best Accountants	£ 164
PNIE	<u>£ 625</u>
	<u>£ 59,284</u>

Note 9A - Creditors (amounts due after one year)

In 2010 the charity received a grant of £20,865 from Plymouth City Council towards the provision of offering facilities for baby care at the house. A substantial amount of building work was carried out at Alexandra House in order for these facilities to be offered. The grant was being written off in equal instalments over the length of the lease. This policy has been reviewed and deferred income will no longer be shown. In essence the grant income was received in 2010 and spent in 2010. Baby care has been phased out.

Note 10 - Declarations

- a. The Trustees have not changed the year end date nor the length of the fund's financial year.
- b. All the fund's operations are continuing operations and no operations were discontinued.
- c. The fund has no marketable intangible assets
- d. There were no interfund loans outstanding at the balance sheet date.
- e. None of the fund's functional assets have been revalued during the year and the fund does not have a policy of revaluation of these assets.
- f. The fund has no material fixed assets which have not been capitalised and included in the Balance Sheet.

PN INDEPENDENT Examinations

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Road
Havant
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☎ 07801 064450

The Trustees
Alexandra House

14 Jun 21

ALEXANDRA HOUSE - ACCOUNTS & INDEPENDENT EXAMINATION **- 30 APR 21**

1. The examination of the fund for the year ended 30 Apr 21 has been completed satisfactorily and accounts prepared. A draft Trustees Annual Report (TAR) is also enclosed.
2. Once agreed by the trustees, PDF versions of the accounts and TAR can be provided by PNIE which can then be uploaded to the Charity Commission website at the same time as the annual return is completed.
3. A copy of the Alexandra House CIO accounts is also enclosed. Whilst the CIO has been registered, there has been no transfer of funds from the unincorporated charity into the CIO and therefore there are nil transactions in the accounts.
4. The accounts were well presented using a combination of spreadsheets and Xero accounting software. Any comparison with the previous year figures should be treated with care as that accounting year covered 16 months.
5. The investment continued to recover from the losses seen in Mar 19 and with a valuation of £31.4K exceeded the £29.2K seen in Dec 18. On the other hand, dividend income had fallen to £1.2K.
6. The bank account held £128.8K but this was high as the local authority grant for the summer term had arrived in the account. It was estimated that £54.8K of this grant was a prepayment for the weeks after 30 Apr.
7. There was a short closure at the start of the year caused by the Covid restrictions but this was followed by attendance of a third of children as their parents were key workers. Full attendance resumed

from Sep 20. Allowing for the long year in 19/20, local authority funding was broadly the same. However, after making the same adjustments for the long previous year, parental contributions fell by more than half to £32.6K. The fund was supported by various grants totalling £25K.

8. After allowing for the long year, this year's wages costs had risen but effectively just by the increase in the minimum wage. Some other costs had been significantly reduced e.g. cleaning, food, refuse and insurance. In contrast maintenance and nursery resource costs had increased.

Summary

9. The value of the fund had increased by £7.1K to £481.8K, although the bulk of this was represented by the value of the property at £379.3K. The unrestricted funds were worth £102.6K.

10. The movements in the fund can be summarised as follows:

- Operating gain - £5.4K
- Unrealised gain in the value of the investment - £9K.
- Offset by write down of the value of the property - £7.3K.