

BRITISH HOME AND HOSPITAL FOR INCURABLES

England & Wales · Charity number 206222

Details

Other names	THE BRITISH HOME
Status	Registered
Legal form	Other
Registered	1964-05-07
Register	View on the Charity Commission register

Contact

Address	Crown Lane Streatham London SW16 3JB
Phone	02086708261
Email	enquiries@britishhome.org.uk
Website	www.britishhome.org.uk

Activities

Objects: TO PROVIDE OR ASSIST IN THE PROVISION OF CARE FOR PERSONS SUFFERING FROM ANY SERIOUS OR PERMANENT DISABILITY INCAPACITY OR ILLNESS

Activities: British Home provides specialist nursing care and rehabilitation to people living with neuro-disability. This includes both short and long-term rehabilitation, respite care and palliative care for those with degenerative illness.

Classification

- **How:** Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** People With Disabilities

Geography

- Lambeth

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,254,549	£9,538,631	£9,115,183	137
2024-03-31	£7,623,768	£9,335,890	£10,692,144	125
2023-03-31	£6,141,948	£7,982,822	£11,773,668	101
2022-03-31	£5,788,669	£6,810,981	£14,214,997	106
2021-03-31	£5,621,382	£6,499,298	£14,585,366	132

Trustees

Name	Role	Appointed
John Francis Handley	Chair	2024-02-22
ALISON HUGHES RN MHSM		
Andrea Haug		2022-11-03
Fazeela Chharawala		2023-07-13
Jane Kathryn Fisher		2019-09-04
Kenneth Dunn		2014-11-26
Taras Fellah		2022-11-03
Thomas Walker		2021-07-28

Linked charities

- JANE ELLEN KING (206222-1)
- ENID GERTRUDE HAGUE (206222-10)
- HELEN SHIPSTONE (206222-11)
- FRANCES HALL (206222-12)
- L P AND E P ANNUITY (206222-13)
- MARY MIRIAM TURNER (206222-14)
- HENRY GILL (206222-15)
- MARY ANN IRWIN (206222-16)
- AMY FANNY TATE (206222-17)
- CATHERINE MARIA HEATH (206222-18)
- LUCY JANE SALISBURY (206222-19)
- ELIZABETH ABRAM ANNUITY (206222-2)
- WILLIAM JAMES PALMER (206222-21)
- MARY SUSANNA JACKSON (206222-3)
- JANE TULLOCH (206222-4)
- MAUD ELIZABETH HOLLAND (206222-5)
- ADA GREGORY (206222-6)
- BED ENDOWMENTS (206222-7)
- KATHLEEN HELEN WELLS (206222-8)
- MIRIAM MELLOR FULLARTON (206222-9)

Accounts

**British
Home and
Hospital for
Incurables**

**Report and Financial Statements
for the year to**

31 March 2025

Charity Registration Number
206222

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Reference and administrative details

Honorary President	Professor, The Lord McColl of Dulwich
Chair	John Handley
Board of Trustees	Kenneth Dunn MA, DipMS Alison Hughes RN, MHSM Derek Prentice Jane Fisher Tom Walker Andrea Haug Taras Fellah Fazeela Chharawala Karan Kapoor (resigned November 2024)
Chief Executive Officer to the Board	Paul Perkin
Director of Care	Merrilee Briggs
Director of Finance and Resources	Natasha Charles-Lewis, ACMA
Address	Crown Lane Streatham London SW16 3JB
Website	www.britishhome.org.uk
Charity registration number	206222
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Investment advisors	CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London, EC4M 8BU

Reference and administrative details

Bankers Barclays Bank plc
Clapham Common Group
PO Box 4038
London, SW12 9YB

Legal advisers Hempsons
40 Villiers Street
London, WC2N 6NJ

The Board of Trustees ('the Board') presents the statutory report and financial statements of British Home and Hospital for Incurables ('British Home') for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out on pages 25 to 28 and comply with British Home's Charter of Incorporation and Regulations, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

A Note from our Chair

Thank you for reviewing the annual accounts for 2024-2025. Over the last year, the organisation continued to invest in its range of services and building infrastructure.

There has been an increase in demand for services, especially among adults with complex needs and individuals returning home after extended hospital stays. In response, capacity was expanded by repurposing areas within the building, resulting in eleven additional beds for residential support. This included a new six-bed specialist unit for residents requiring tracheostomy care, which opened in January 2025.

The organisation continues to build its reputation in delivering neuro-rehabilitation that focuses on person-centred care. Therapy provision has been expanded to include occupational and physiotherapy as well as holistic approaches such as music, arts, drama-based therapies, psychology, and vocational rehabilitation. These initiatives are intended to offer a wider range of activities that aim to improve motor skills and cognitive development, supporting resident independence.

The organisation is experiencing increased costs related to goods and services, primarily due to investments made to maintain staff remuneration. The adult social care sector is experiencing a national shortage of skilled professionals, so the organisation regularly reviews staff pay to attract and retain qualified individuals. The Board and Executive Team continue to seek operational efficiencies and work to ensure commissioners support the actual costs of care. These measures are intended to protect charitable reserves and maintain ongoing service enhancements for current and future beneficiaries.

While there have been several incredibly positive developments over the year, we are naturally disappointed to receive a 'requires improvement' rating in our most recent Care Quality Commission inspection, which represents a decline from the previous 'good' rating. Feedback from the regulator and stakeholders has been addressed, and efforts are underway to make targeted improvements in identified areas. The organisation anticipates reinspection and aims to restore its previous rating and further improve performance in certain areas.

As with every year, I would like to extend my appreciation and that of the Board to our dedicated staff. Whether in clinical, administrative or ancillary roles, the shared values across our team are always evident and their contribution to the well-being and rehabilitation of our residents is as authentic as it is impactful. I hope that you find this year's annual accounts of great interest and thank you for your continued support.

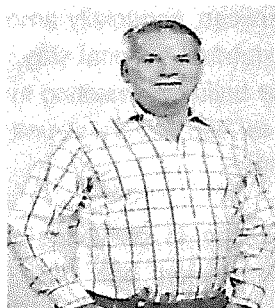
Composition of the Board of Trustees

The Charity Board of Trustees is:



Chair: John Handley (appointed February 2024)

At its meeting in November 2022 Trustees agreed to appoint John Handley to the Board of British Home. John is an internationally experienced executive who has worked extensively with business leaders across small and large businesses, fully owned and joint venture partnerships, listed and not for profit sectors, in services and manufacturing industries and in emerging and mature markets including Saudi Arabia, India, Australia, the United States and the UK. An accredited WABC Executive Coach.



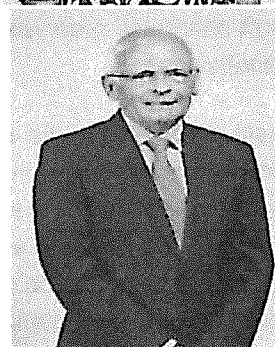
Kenneth Dunn

Kenneth Dunn joined the Board of Trustees in December 2014. Kenneth has some 30 years of social care experience. He has a broad knowledge of the care industry and government policies and procedures regulating care.



Alison Hughes

A nurse and midwife with 36 years' experience, Alison trained at University College Hospital before moving to Oxford and then Australia to practice. She spent four years overseas before joining the cardiac unit at St George's Hospital Tooting, moving from Sister to Head of Nursing and finally Divisional Director of Nursing and Governance. Alison is now fully retired.



Derek Prentice

Derek spent the majority of his career in consumer affairs, spending over twenty years with Consumers' Association (Which?) and serving as the President of the European Consumers Organisation BEUC. Derek is a Council Member and Trustee of the Royal College of Emergency Medicine and Chairs its Lay Group. Derek has been the Vice Chair of the Lay Group of the Academy of Royal Medical Colleges, the Chair and Lay Member of the General Dental Council and a Trustee of King's College Hospital.

Composition of the Board of Trustees (continued)



Jane Fisher

Jane has worked in the NHS for over thirty years, starting as a nurse with a special interest in trauma. After twenty years on the front line, she moved into NHS management and now manages the Northwest London Renal and Transplant Service (the largest such unit in Europe). Jane is passionate about healthcare and has a strong commitment to delivering equality and diversity.



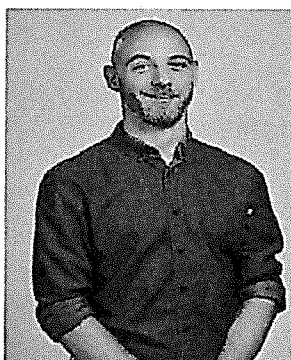
Tom Walker

Tom is currently Co-Head of Global Listed Real Assets for Schroders where he is responsible for a large real asset investment portfolio and has significant experience in investment management.



Andrea Haug

Andrea has successfully led HR in a number of sectors including retail, media and entertainment, hotels and hospitality, infrastructure, and financial services in both the UK and internationally. She has broad experience at both strategic and operational levels across all areas of HR. Her deeper specialisms include leadership, culture, employee engagement, and organisational change. Andrea's passions are supporting leaders through periods of growth, uncertainty, and change, and building workplaces that are welcoming and inclusive, where everyone feels they belong and are able to contribute, achieve and progress.



Taras Fellah

Taras spent 7 years within the internal audit function of IQVIA, a US listed multi-national healthcare company before taking up his current role of Senior Director of Financial systems.

Composition of the Board of Trustees (continued)



Fazeela Chharawala

Fazeela Chharawala is a registered Neurosciences Occupational Therapist who specialised in neurorehabilitation prior to working in her current field in health innovation. She works as a Senior Innovation Manager in NWLs Health Innovation Network -IChP and co-founded the Imperial HOTT (Helping Our Teams Transform) innovative surgical safety culture programme. She teaches Human Factors and has a keen interest in patient safety and quality. Fazeela utilises her passion for innovation, system collaboration and leadership in her everyday work where she implements strategic transformation to enable equitable and improved clinical outcomes for populations.

Board Responsibilities Statement

The charity's trustees are responsible for preparing the report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice. Charity law requires the Board, as trustees, to prepare financial statements which give a true and fair view of the financial activities of British Home during the year and its financial position at the end of the year. In preparing the attached financial statements, the Board is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that British Home will continue to operate.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of British Home and which enable it to ensure that the financial statements comply with the Charities Act 2011. The Board is also responsible for stewarding the assets of British Home and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure, governance, and management

British Home was granted a Royal Charter on 1 November 1899. It is governed by a Charter of Incorporation and Regulations (revised 8 January 2009) and is a registered Charity (No. 206222). Responsibility for British Home rests with the Board who are the trustees of the charity for the purposes of charity legislation.

British Home is regulated by the Charity Commission, by the Care Quality Commission (CQC) and, as a Royal Charter Company, by the Privy Council.

The Board met formally in each quarter of the last financial year and also held its annual away day to review the charity's strategic plan. On 31 March 2025 the Board comprised nine members who held office throughout the year. In November 2024 Karan Kapoor retired from the Board, The Board are grateful for his significant contribution to the work of the charity over his one- year tenure and wish him great success in the future.

Trustees did not receive any remuneration for services as a member of the Board.

Board Committee Structure

The Board periodically reviews its governance committee structure, to ensure that it remains fit for purpose and responsive to emerging, strategic opportunities and risks. The Board last reviewed its succession plan in anticipation of those Trustees approaching the end of their tenure. As part of its succession plan the Board will review the succession plan in November 2025 and will seek to appoint two new Trustees in the next financial year with the required skills and experience to support the charity in achieving its strategic objectives.

Care Governance Committee

The Care Governance Committee provides assurance to the Board by having Trustees with relevant clinical experience to review the provision of care and therapy in the Home, and to offer support and counsel to the Director of Care in this regard. The Care Governance Committee maintains oversight of British Home's clinical practice and care provision including quality assurance, service improvement, safe practice, and regulatory compliance.

Finance Committee

The Finance Committee has delegated responsibility from the Board to oversee and review all financial aspects of the Charity's operations including the Charity's investment strategy and appointment of its Investment Managers. The Finance Committee also has responsibility for British Home's human resources, building and maintenance services, as well as the development of the Charity's IT and digital strategy. The Finance Committee continues to set annual targets to reduce the current deficit and achieve an annual operational surplus.

Since the pandemic, the recruitment of care staff within a challenging market has emerged as the Charity's key strategic risk. The Finance Committee continues to review staff salaries and benefits to ensure that these remain competitive and to advise the Remuneration and Nominations Committee in this regard.

Structure, governance, and management (continued)

Remuneration and Nominations Committee

The Remuneration and Nominations Committee has oversight of the balance and effectiveness of the Board, including the appointment of new Trustees. The Remuneration and Nominations Committee is also responsible for the remuneration of the executive management team of the Charity, as well as the annual review of staff salaries and benefits.

Management of British Home

The key management personnel of British Home responsible for directing and controlling the operations of the charity comprises the Board of trustees, the Chief Executive Officer, the Director of Care and the Director of Finance and Resources.

Management of British Home

Paul Perkin (BA Hons) is the Chief Executive Officer of British Home. Paul took up this post in April 2017. Paul has over twenty years' experience within the health, social care and housing sector including executive and non-executive roles. Paul is currently the lay Chair of the Association of Palliative Medicine for Great Britain and Ireland, a medical membership organisation promoting professional development, societal debate and advocacy on behalf of all those who are involved in Palliative Medicine

Natasha Charles-Lewis ACMA (MSc) is the Director of Finance and Resources at British Home. Natasha took up this role in September 2019. Natasha has over sixteen years' finance experience within the healthcare and charitable sector. Natasha is an associate member of the Chartered Institute of Management Accountants and holds a further degree in strategic business management.

Merrilee Briggs joined the as Director of Care at British Home in March 2024. Merrilee is a Registered Nurse and has worked in Health and Social Care for over 20 years. Merrilee has held Senior roles in care quality and commercial development in both the private and charity sectors and has a particular passion for developing neuro-rehab services to improve access, recognising that everyone has a right to rehab.

Aims Objectives and Strategy

British Home provides specialist clinical and rehabilitation support to adults living with neuro disability. This will typically include people living with severe impairment often resulting from brain injury, stroke or through a life-limiting illness. We work with each of our residents to tailor a holistic and bespoke package of care and rehabilitation, enabling them to live as full and independent lives as possible. British Home also provides palliative care, providing emotional and spiritual support, and creating a peaceful environment where residents can live their final days in comfort and on their own terms.

British Home is registered to look after a maximum of 127 residents; however, due to the physical limitations of an old building the number of commissioned units was reduced to 80 beds over 20-years ago. Over the last year, we have experienced increasing demand for our services and have brought a further 11 units back into use (91 beds). It is expected that demand for beds will continue, and we continue to review our capacity, in line with our budget for capital expenditure, to ensure that we can continue to support as many residents as possible, going forward.

Aims Objectives and Strategy (continued)

Since the end of the pandemic, we have continued to invest in our clinical and therapy services to support residents with increasingly more complex conditions to be discharged from hospital and live within our more homely setting. Average occupancy over the last year on this basis was 93% (89% in previous year).

In March 2025, the Board reviewed its 5-year strategy, with a central aim to build upon its experience and become a centre of excellence for neuro-disability care and rehabilitation. The Board recommitted to its key objective of investing in the charity's therapy provision to support even more residents and outpatients to manage their conditions more effectively, with an emphasis on increased independence, pain relief and greater enjoyment of life (including those approaching end of life).

Rehabilitation and therapy

The British Home provides a range of therapies and rehabilitation programmes for all residents, blending traditional occupational and physiotherapy support with more holistic approaches including music and drama therapy. Our team also comprises a Speech and Language Therapist, as well as a Psychologist and Family Councillor to support our residents and their loved ones as they learn to manage their conditions following a life changing event or diagnosis. We have recently appointed a Vocational Therapist with a primary focus on supporting residents back into education or work, recognising the significant contribution they can make to our community and economy.

In January of this year, we opened a new specialist unit supporting adults requiring tracheostomy care and those with prolonged disorders of consciousness (PDOC). This unit includes six bedspaces, and we will continue to review this provision over the next year to determine if more bedspaces are required and more investment needed to meet future demand.

In the coming year we will introduce a new Level 2 Neuro-rehabilitation unit in line with the British Society of Physical and Rehabilitation Medicine (BSPRM). guidelines. This will provide residents with an intensive programme of rehabilitation as well as psychological and social support to enable them to return home and maintain their independence. This service will be overseen by a dedicated Neuro Rehabilitation Consultant providing clinical supervision to our Therapy Team, ensuring robust goal planning for all residents and improved rehabilitation outcomes for all.

Co-production

In March 2025, we engaged a specialist consultant to work with our residents to constitute a new Resident Committee. This Committee will develop and oversee the implementation of a new co-production strategy and work with the Executive to inform our service offering and drive continuous improvement across everything we do. We recognise that our residents are experts in their experience of neuro-disability, and we will harness their insight and expertise to ensure that, together, we fulfil our charity's mission. The Resident Committee began its work in earnest in May 2025, whereby it convened a recruitment panel to oversee the appointment of a new Registered Manager. Going forward the Committee will support our quality assurance processes, fundraising, activities and development of new services, as well as other areas of our work.

Public benefit

In setting the charity's objectives the trustees have considered the Charity Commission's guidance on public benefit. The Board believes that British Home continues to meet the Charity Commission's public benefit test principally in that the majority of residents in British Home have for many years benefited from the availability of statutory funding. The charity provides additional rehabilitation and social support to residents from its own charitable funds and through specific fundraising initiatives.

Our Mission

British Home is a supportive community providing excellent care and rehabilitation, enabling everyone living with neuro-disability to reach their full potential.

Our Vision

We strive to create a community where everyone with a neuro-disability can thrive and live their lives with hope, dignity, and equal opportunity.

Our Values

All at British Home are committed to upholding our organisational values which have been developed in collaboration with our residents, staff and other stakeholders and partners.

These values inform every aspect of our work, including the care we provide to residents and the way we support our staff to carry out their important roles.

Our Values determine that we:

- ◆ put the individual at the heart of their care.;
- ◆ understand that every individual will have their own targets and motivations, and that rehabilitation is a process that people take at their own pace.;
- ◆ recognise the advantages that our diversity provides, we will harness the talent and energy of everyone at British Home: staff, volunteers, residents, families and carers;
- ◆ will always act with integrity, openness and honesty; and
- ◆ are committed to the highest standards and will embrace innovation and models of best practice.

Personalised Support

At British Home, we recognise that each resident is an individual and that they and their families will often provide the greatest insight into how our staff can best meet their care needs. Residents at British Home are continually assessed by a multi-disciplinary team comprising of clinical staff and therapists to ensure they receive an appropriate service offer commensurate with their individual needs. We work with residents and their families to develop personalised care plans, ensuring that they direct and control the care we provide.

Risk management

The Board regularly reviews the potential major risks to the charity and undertakes a formal risk audit each year to identify any additional risks that the charity may be exposed to and to ensure that adequate control measures are in place to mitigate identified risks. To protect the assets of the charity, British Home maintains a comprehensive suite of insurance policies.

Risk management (continued)

The Board considers the 'failure to reduce its operational deficit', as its key strategic and operational risk, given that this would have a detrimental impact on the future sustainability of the Charity and the well-being of its residents. The Charity's 5-year strategy has guided British Home's transition from a traditional nursing care model to that of a specialist provider of neuro-disability nursing care and rehabilitative support. This will ensure that care fees are more commensurate with residents' support needs and that the Charity is not required to subsidise the costs for those residents who no longer require the level of specialist nursing and support provided within the Home.

In recent years the health and social care sector has experienced significant challenges around recruitment and retention of experienced care staff. British Home is not immune to this, and over the recruitment and retention of skilled staff into British Home also remains a key risk for the charity. The Executive Team has introduced a range of measures to attract talented staff and to reduce its dependency on temporary workers, with some success. However, this has not been without significant cost as the Charity has sought to increase salaries and benefits to attract skilled workers within a competitive market. The Executive Team continue to engage with its commissioners to ensure that care fees reflect the demands of local labour markets, and that British Home can continue to attract and retain highly skilled and experienced staff.

Volunteers & Carers

Volunteers at British Home make a positive difference to the lives of our residents through their involvement in a wide range of activities including rehabilitation support, recreational activities, befriending and fundraising. The Board remain grateful for the significant contribution that all of our volunteers make to the charity and its residents.

British Home also places significant value in the views and contributions of its community of resident's families and carers. The Charity offers a variety of ways for families and carers to have their say on how care and support is delivered at British Home, recognising their role as advocates and experts in how their loved ones are cared for. Over the last year, families and carer's views were heard through online quarterly families and carer's meetings as well as through our annual family and carer surveys.

Fundraising

The shortfall in our operating income, as noted below, is made up in part from generous donations and legacies bequeathed to the Home. British Home is reliant on voluntary contributions to provide resources and develop innovation to improve the lives of everyone we support. The Board are grateful for all charitable contributions from our generous donors and would like to pay particular thanks to the following Trusts and individuals for their continued support:

- ◆ The Ian Askew Charitable Trust
- ◆ D G Ryder Charitable Trust
- ◆ Gilbert & Eileen Edgar Foundation
- ◆ Hobson Charitable Trust
- ◆ The Bothwell CT.

Fundraising (continued)

The Board would also like to thank all who have donated to British Home in memory of loved ones and to the many people have supported us with a legacy in their Will.

As a charity registered with the Fundraising Regulator, we are committed to ensuring our fundraising is legal, open, honest, and respectful. British Home did not actively pursue donations from individuals and the general public and did not use the services of a professional fundraiser. No complaints were received in relation to how the charity conducted its fundraising activity.

Environmental, Social and Governance

Since its inception British Home has provided care and support to some of the most vulnerable people within its community. We remain proud of the public benefit we continue to provide to severely disabled people, and we also recognise the wider role we can and should play towards reducing our environmental impact, increasing diversity and inclusion, and ensuring strong and ethical governance practices.

The charity continues to ensure that its investments are managed in compliance with ESG criteria, through dedicated funds in line with Charity Commission Guidance. Over the next year we will continue to build upon this commitment to ESG practices in a variety of ways; from how we manage our carbon footprint, including procuring services and influencing our suppliers' environmental practices; to how we ensure the welfare of our staff and increase opportunity and diversity across our workforce.

Care Quality Commission

British Home is regulated by the Care Quality Commission. In September 2024, the service underwent an unannounced inspection. The inspection resulted in the downgrading of the British Home's previous rating of 'good' across all areas. The revised rating was 'requires improvement' following a down grading in three areas, while retaining its previous rating of good in the areas of 'caring' and 'responsive'. While we were disappointed at the outcome of the inspection, we have responded to the report's findings with a comprehensive improvement plan to redress the issues identified and to return to our previous rating. This plan has been shared with our residents, staff and stakeholders and we continue to update them on its progress. We look forward to welcoming our regulator back to the service to review the progress we have made and our rating.

Financial review

Performance in the year

The operating deficit for the period was £1,749,462 (2024 – £2,344,257) as shown in the table below:

	2025 £	2024 £
Fees	7,789,169	6,522,633
Less: Expenditure	(9,538,631)	(8,866,890)
Operating deficit	(1,749,462)	(2,344,257)
Donations	47,904	75,995
Investment income	339,879	345,364
Other Income	23,598	81,526
Deficit before legacies	(1,338,081)	(1,841,372)
Legacies	53,599	598,250
Pension scheme buyout	—	(469,000)
Net expenditure for the period before investment gains and losses	(1,284,082)	(1,712,122)

a) *Fees*

Income from fees charged increased by 19% to £7,789,169 (2024 – £6,522,633). The increase in income is a result of improvement in average occupancy and higher fees generated on new admissions where focus continues on attracting specialist needs residents with neurological conditions and a greater emphasis on the charity's therapy provision. As in recent years, a low level of fee increases was awarded for longer term residents and only by a small number of funders putting continued pressure on the charity's resources.

b) *Expenditure*

Expenditure in 2025 increased by 8% to £9,538,631 (2024 – £8,866,890).

As with many health and social care providers, the charity has been impacted by inflationary costs across our housing and catering services, including general maintenance. As our resident population increased, we placed greater reliance on temporary workers as we sought to fill new vacancies within our clinical teams. We ensure that all new staff undergo a thorough induction including basic and mandatory training as well as time spent working supernumerary, which also contributed to associated staff costs in the last year. We expect that costs associated to recruiting and inducting new staff will reduce significantly over the next year, as our new colleagues are established in their roles. Within this total, staffing costs amounted to £5,055,668 (2024 – £5,078,694) a decrease of £23,026. British Home staff are the heart of our organisation, whenever possible the Board endeavours to provide a real increase in pay and ensures that staff are paid in line with industry standards.

c) *Fundraising and publicity*

Costs, with allocated support costs, totalled £154,903 (2024 – £133,793). This included costs for the external marketing of British Home to continue raising awareness of British Home and its work, to support its fundraising endeavours.

Financial review (continued)

Performance in the year (continued)

d) Donations

Donations decreased within the last year to £47,904 (2024 – £75,995). In the current year we received large donations from DG Ryder Charitable Trust. We are thankful for the great support of individual donors and charitable trusts, a number of whom have been loyal supporters of British Home for many years. The Board equally values every contribution regardless of size and is particularly grateful for the dedication of local groups and individuals in helping to fundraise.

e) Legacy income

Income from legacies decreased over the prior year to £53,999 (2024 – £598,250). In line with the legacy income recognition policy, whereby a future legacy receipt is recognised as income provided probate has been granted and eventual receipt is probable, £238,500 (2024 – £443,800) has been recognised as income ahead of receipt in cash. Historically the legacy income of British Home has fluctuated and is unpredictable from year to year.

Pension Liabilities

The charity previously operated a final salary pension scheme which closed to new members as of 31 March 2014.

The Board engaged KPMG to advise it as to whether measures could be taken to potentially mitigate the liabilities of the scheme and whether securing member' benefits under the scheme through an insurance company buy-out might be an affordable option for British Home. The Board considered that removing at an affordable cost the risk to its reserves represented by an open-ended obligation to fund any future deficits in the scheme would be in the best interests of the charity.

In February 2018 the trustees decided to withdraw from the scheme and a total liability of approximately £1,788,000 crystallised.

The trustees paid over the sum of £1,010,000 on 3 March 2018 and there remained a provision in the accounts at the 2022/23 reporting date of £778,000. In 2023/24, the Trustee for the pension gave a revised estimate of £2,257,000 for the total liability, given changes in market conditions affecting the pension fund over the time taken to finalise the buyout. This resulted in the revised final payment increasing to £1,247,000, subject to the prevailing market conditions at the point of winding up the scheme'. At 31 March 2025 there has been no change to the estimated liability.

The replacement to the now closed final salary scheme is a defined contribution Group Personal Pension Plan provided through Royal London. Under this arrangement British Home contributes 10% of pensionable salary while employees contribute 5%. Employees who have not elected to join the GPPP are, if eligible, subject to auto-enrolment at contribution rates set as part of the Government's pension membership initiative.

Financial review (continued)

The Home's Net Assets

The net assets of British Home at 31 March 2025 were £9,115,183 (2024 – £10,692,144). Of these £718,974 (2024 – £662,427) related to fixed assets which were comprised mostly of freehold buildings, which are wholly used for charitable purposes and are represented by a specific designated fund. Fixed asset purchases and disposals during the year are shown in the notes to the financial statements. The net assets also included £12,477 of endowment funds not expendable by the charity and £3,000 of restricted funds. After allowing for further designated funds as described below the general unrestricted funds of the charity at 31 March 2025 were £542,841 (see policy below).

Reserves policy and financial position

In determining the level of reserves required to sustain the Charity's work, the Board seeks to balance its long-term obligations with the needs of current beneficiaries. Where there is a capital commitment, a requirement to generate income for a specific purpose, or a need to ring-fence funds for the Charity's future stability, these factors are also considered. The Board acknowledges that reserves at the end of the financial year were below the level set out in the current Reserves Policy of between 3 to 12 months of annual running costs which is primarily due to the year's deficit performance as we invest in the Charity's operations to drive efficiency. The Board is reviewing the Reserves Policy to ensure it aligns with future plans and that designated funds, including the continuity of care fund (below) are matched to current needs.

- ◆ In the current financial year, the funds are allocated as follows: The General Fund comprises those monies which are freely available for application towards meeting the charitable objectives of the Home at the discretion of the Board.
- ◆ Designated Funds comprise monies set aside out of unrestricted general funds and designated for specific purposes, although the Board may ultimately use such funds for other purposes.
- ◆ Restricted Funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.
- ◆ Endowment Funds comprise monies donated which are not to be expended. Only the income can be used for the charitable objectives of the Home.

Designated reserves

The majority of the Charity's funds are held in investments, at the end of the financial year the following funds have been designated:

Continuity of Care Fund

The Board of Trustees is conscious of its long-term obligation to the residents in its care, their sponsors and their carers and to balance the needs of current residents with those of the future. The Board believes that the equivalent of 6 to 9 months anticipated costs is required to meet its obligations to provide essential services for all parties in the event of a critical incident. The Board has therefore designated £5.9M of its reserves to this fund, to provide for nine month's running costs.

Financial review (continued)

Major and Cyclical Maintenance Fund

The British Home operates from an old, Victorian building which is both expensive to maintain and will also occasionally require costly unplanned repairs. Trustees have therefore created a fund to meet the costs of major and cyclical maintenance when the need arises. The Board has designated £2M of its reserves to this fund, in the event that major repairs are required to the building's infrastructure.

Investment policy and performance

The investment objective of the Board is to maintain the real value of the fund over time whilst generating a stable and sustainable return on investments in the form of dividend payments to supplement the charity's income. The Finance Committee has responsibility for agreeing strategy and monitoring the investment assets. The committee meets quarterly and reviews the portfolio's performance.

The market value of the portfolio at 31 March 2025 was £9.8m (2024 – £10.5m and 2023 – £11.7m). This is a book valuation and may differ significantly from the price achieved when the funds are sold. The value of the portfolio decreased during the year and the charity sold £3m of investments to cover shortfalls arising from the deficit and future cashflow commitments. The value of the investments showed a modest recovery at the start of the next financial year. The underlying investment performance showed net investment losses of £293k for the year, (2024- £781k gain) . The income produced from these investments amounted to £330k (2024 – £345k).

Whilst the charity's funds are of a sufficient size to have a segregated portfolio, the Trustees decided, after a review some years ago, to invest in pooled and common investment funds for charities. The saving in costs is considerable but it means that the charity loses its power to directly influence and control the underlying investments made or the detail of the Environmental, Social and Governance (ESG) policies to be followed.

The two funds in the portfolio are the COIF Charity Investment and Fixed Income Funds, managed by CCLA, and the Sarasin Consolidated Alpha Fund for Endowments, managed by Sarasin & Partners. Both these managers are mindful of the ethical concerns of their charity clients and pursue active ESG research. This research informs not just asset allocation, assessment of risk and stock selection but also how they vote the shares they buy. Both managers talk to the management of those companies to raise concerns. Both managers publish detailed ESG policies and descriptions of how they assess risk. Both managers also present annually to the Finance Committee illustrating the analysis of the financial return, risk, asset allocation, the funds' performance against agreed market benchmarks, and the investment objectives.

Future plans

In March 2024, the Board of British Home revised the charity's 5-year strategic plan. Our new strategy 2023-2026, has been developed to focus on what we do well today and make it even better. We will provide high quality specialist neuro rehabilitation to a local and wider population. As the complexity of resident care increases, we will expand our offer to new cohorts of residents including specialist Level- 2 provision which provides a much greater therapeutic input to residents who will benefit from this higher level of intervention. It is also our intention to provide outpatient rehabilitation services to reach even more people living within the community. These new services will complement our existing provision of longer-term rehabilitation and palliative care and we will continue to invest in these areas as we progress our strategy.

As part of this strategy, we will continue to refurbish our beautiful building. This will include new infrastructure and in-house facilities that will enable us to incorporate the latest technologies to support people with their rehabilitation. Furthermore, we will consult with our residents and staff to create a more modern and therapeutic environment for all who live and work at British Home.

Auditor

Buzzacott Audit LLP, the Home's auditors have indicated their willingness to remain in office for a further year.

Thanks, and acknowledgements.

The Board continues to be highly appreciative of the support for the Home shown by commissioners of social care. British Home as an independent charity well understands the cost pressures associated with the provision of social care and hopes that the Board and Commissioners can work together to ensure the ongoing provision of first class, affordable care at Crown Lane long into the future.

The success of British Home as a charity is down to the combined efforts of many individuals and organisations. However, one group clearly stand out as being the bedrock on which the charity stands, and that group is its dedicated and caring staff. The Board would like to say 'thank you' to every member of our staff who 'day in, day out' do a wonderful job in supporting, caring and enriching the lives of the residents of British Home.

John Handley

Approved by the Board of Trustees and
signed on its behalf by:

Trustee

Approved on: 18 September 2025

Independent auditor's report to the trustees of British Home and Hospital for Incurables

Opinion

We have audited the accounts of British Home and Hospital for Incurables (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of 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 accounts 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 7 and 8, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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 accounts 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); Care Standards; Health and Safety Regulations; The Code of Fundraising Practice; Safeguarding Regulations; and Data Protection; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

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

Auditor's responsibilities for the audit of the accounts (continued)

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Assessed controls over funds held for residents;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

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

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

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

19 September 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities Year to 31 March 2025

	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	2025 Total funds £	2024 Total funds £
Income from:						
Donations and legacies	1	101,903	—	—	101,903	674,245
Investment income	2	339,879	—	—	339,879	345,364
Charitable activities	3	7,797,740	—	—	7,797,740	6,522,633
Other income	4	15,027	—	—	15,027	81,526
Total income		8,254,549	—	—	8,254,549	7,623,768
Expenditure on:						
Raising funds	5	154,903	—	—	154,903	133,793
Charitable activities	6	9,383,728	—	—	9,383,728	8,733,097
Pension scheme buyout	20	—	—	—	—	469,000
Total expenditure		9,538,631	—	—	9,538,631	9,335,890
Net (expenditure) for the year before investment (losses) gains		(1,284,082)	—	—	(1,284,082)	(1,712,122)
(Losses) gains on investments	12	(292,879)	—	—	(292,879)	630,598
Net (expenditure) and net movement in funds		(1,576,961)	—	—	(1,576,961)	(1,081,524)
Fund balances brought forward at 1 April 2024		10,676,667	3,000	12,477	10,692,144	11,773,668
Fund balances carried forward at 31 March 2025		£9,099,706	3,000	12,477	£9,115,183	10,692,144

All of the Home's activities are derived from continuing operations during the above and prior financial period.

Balance sheet 31 March 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible fixed assets	11		718,974		662,427
Investments	12		9,800,687		10,730,762
			<u>10,519,661</u>		<u>11,393,189</u>
Current assets					
Debtors	13	762,739		1,323,695	
Cash at bank	21	513,348		412,853	
		<u>1,276,087</u>		<u>1,736,548</u>	
Creditors: amounts falling due within one year	14	(2,680,565)		(2,437,593)	
Net current (liabilities)			<u>(1,404,478)</u>		<u>(701,045)</u>
Net assets			<u>9,115,183</u>		<u>10,692,144</u>
The funds of the charity:					
Endowment fund	16		12,477		12,477
Restricted funds	17		3,000		3,000
Unrestricted funds					
. Designated funds	18		8,556,865		8,562,428
. General fund			542,841		2,114,239
			<u>9,115,183</u>		<u>10,692,144</u>

Approved by the Board of Trustees on 18 September and signed on its behalf by:
2025

John Handley
Trustee

Statement of cash flows 31 March 2025

	Notes	2025 £	2024 £
Cash outflow from operating activities:			
Net cash used in operating activities	A	(608,779)	(2,263,604)
Cash inflow from investing activities			
Dividends and interest from investments		339,879	345,364
Purchase of investments		—	(20,000)
Sale of investments		3,013,602	1,469,917
Purchase of fixed assets		(267,800)	(199,651)
Net cash provided by investing activities		3,085,681	1,595,630
Change in cash and cash equivalents in the year		2,476,901	(667,974)
Cash and cash equivalents at 1 April 2024	B	962,018	1,629,992
Cash and cash equivalents at 31 March 2025	B	3,438,919	962,018

Notes to the cash flow statement for the year to 31 March 2025.

A Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net movement in funds (as per the statement of financial activities)	(1,576,961)	(1,081,523)
Adjustments for:		
Depreciation charge	211,254	170,727
Losses (gains) on investments	292,878	(630,597)
Dividends and interest from investments	(339,879)	(345,364)
Decrease/(Increase) in debtors	560,956	(759,966)
Increase in creditors	242,972	383,120
Net cash used in operating activities	(608,779)	(2,263,604)

B Analysis of cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	513,348	412,853
Cash held by investment managers	2,925,571	549,165
Total cash and cash equivalents	3,438,919	962,018

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies Year to 31 March 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2025 with comparative information provided in respect to the year ended 31 March 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ valuation of the investment land;
- ◆ legacy recognition; and
- ◆ estimating future inflows and outflows for the purpose of assessing going concern

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. At 31 March 2025 the charity had net current liabilities of £1,404,478 (2024 – £701,045). The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due by drawing down on the investment funds when required. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2026, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy section of the trustees' report for more information).

Income

Income is recognised in the year in which the Home is entitled to receipt thereof, the amount can be measured reliably, and it is probable that the funds will be received.

Legacies are included in the statement of financial activities when the Home is advised by the personal representative of an estate that payment will be made, or property transferred, and the amount involved can be quantified.

Donations are recognised when the charity has confirmation of both the amount and settlement date.

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

Fees from medical and nursing services are recognised when the service has been provided.

Expenditure and the basis of apportioning costs

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, 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 includes attributable VAT which cannot be recovered.

The majority of costs are directly attributable to specific activities. Support costs are allocated to expenditure on raising funds and charitable activities according to underlying activity levels. These were established using a number of suitable indicators including staff time and floor space.

Expenditure comprises the following:

- a. Expenditure on raising funds includes the salaries, direct costs and support costs associated with generating donated income and the fees paid to investment managers in connection with the management of the Home's listed investments.
- b. Expenditure on charitable activities comprises expenditure on the Home's charitable purposes as described in the report of the Board of Trustees and includes support costs.

Principal accounting policies Year to 31 March 2025

Tangible fixed assets

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings. The buildings were insured on a replacement basis for £47m at 31 March 2025 (at 31 March 2024 – £45m).

All assets costing more than £5,000 are capitalised. Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

♦ Freehold buildings	4% on cost
♦ Water Tank	10% on cost
♦ Hospital and catering equipment	20% on cost
♦ Office furniture and equipment	20% on cost
♦ Computer equipment	20% on cost
♦ Transport	20% on cost

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Land held for investment is included in these accounts at fair value based on open market value. The land valuation is at trustees' assessment based on professional advice from Montagu Evans.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are credited (or debited) in the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Principal accounting policies Year to 31 March 2025

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Endowment Funds comprise monies donated which are not to be expended. Only the income can be used for the charitable objectives of the Home.

Restricted Funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Designated Funds comprise monies set aside out of unrestricted general funds and designated for specific purposes, although the Board of Trustees may ultimately use such funds for other purposes.

The General Fund comprises those monies which are freely available for application towards meeting the charitable objectives of the Home at the discretion of the Board of Trustees.

Pension costs

From 1 April 2014, British Home is operating a defined contribution scheme. Contributions are recognised in the statement of financial activities when payable.

1 Donations and legacies

	Unrestricted £	Restricted £	2025 £
Donations inclusive of reclaimed tax	47,904	—	47,904
Legacies	53,999	—	53,999
Total 2025	101,903	—	101,903

	Unrestricted £	Restricted £	2024 £
Donations inclusive of reclaimed tax	70,882	5,113	75,995
Legacies	598,250	—	598,250
Total 2024	669,132	5,113	674,245

2 Investment income

	Unrestricted funds	
	2025 £	2024 £
Sarasin – CIF ALPHA fund units	167,293	178,598
COIF – Investment fund income units	162,300	161,296
	329,594	319,894
Interest receivable	10,285	5,470
Total	339,879	345,364

3 Income from charitable activities

Income from charitable activities comprises fees from medical and nursing services and is unrestricted.

4 Other Income

	Unrestricted funds	
	2025 £	2024 £
Other	15,027	—
COVID-19 Sustainability Payment	—	28,468
Digitising social care fund (DSCF)	—	53,058
	15,027	81,526

5 Expenditure on raising funds

	Unrestricted funds	
	2025 £	2024 £
. Direct costs	88,743	71,831
. Support costs	66,160	61,962
	154,903	133,793

6 Expenditure on charitable activities

	Unrestricted £	Restricted £	2025 £
Medical and nursing services			
. Direct costs	5,866,005	—	5,866,005
. Support costs	3,517,723	—	3,517,723
	<u>9,383,728</u>	<u>—</u>	<u>9,383,728</u>
	Unrestricted £	Restricted £	2024 £
Medical and nursing services			
. Direct costs	5,588,883	—	5,588,883
. Support costs	3,139,101	5,113	3,144,214
	<u>8,727,984</u>	<u>5,113</u>	<u>8,733,097</u>

7 Analysis of support costs

	Raising funds £	Charitable activities £	2025 £
Staff costs	25,159	985,732	1,010,891
Administration	14,488	414,890	429,378
Housekeeping – fuel & rates	5,090	419,064	424,154
Housekeeping – other	13,878	967,666	981,544
Depreciation	712	210,542	211,254
Repairs & maintenance	3,165	260,622	263,788
Insurance	1,324	109,010	110,334
Other costs	1,220	56,287	57,507
Governance costs	1,124	93,909	95,033
Total support costs	<u>66,160</u>	<u>3,517,723</u>	<u>3,583,883</u>
	Raising funds £	Charitable activities £	2024 £
Staff costs	23,418	924,526	947,944
Administration	13,906	396,330	410,236
Housekeeping – fuel & rates	3,249	267,527	270,776
Housekeeping – other	13,660	929,441	943,101
Depreciation	1,188	169,538	170,726
Repairs & maintenance	2,262	191,358	193,620
Insurance	1,239	102,027	103,266
Other costs	1,973	75,615	77,588
Governance costs	1,067	87,852	88,919
Total support costs	<u>61,962</u>	<u>3,144,214</u>	<u>3,206,176</u>

Included within governance costs is auditor's remuneration of £34,120 (2024 – £31,800) and £32,984 (2024 – £48,562) for professional fees which included strategy development work and trustee recruitment.

8 Staff costs

	2025 £	2024 £
Wages and salaries	4,376,729	4,399,971
Social security costs	456,252	444,831
Pension costs	203,484	200,108
Redundancy costs	19,203	33,784
	5,055,668	5,078,694

The number of employees during the period who earned over £60,000 in the year is as follows:

	2025 Number	2024 Number
£60,001 - £70,000	1	4
£70,001 - £80,000	—	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	—
£100,001 - £110,000	—	—
£110,001 - £120,000	—	—
£120,001 - £130,000	1	1

The average number of employees analysed by function was:

	FTE* 2025	Head Count 2025	FTE* 2024	Head Count 2024
*Full time Equivalent				
Nursing and care	122	115	107	113
Maintenance	4	4	4	4
Reception and portering	5	5	4	6
Management and administration	11	13	10	13
	142	137	125	136

Catering, cleaning, and laundry are outsourced, but with staff dedicated to British Home. Average numbers of catering and cleaning staff during the year were FTE 13/ Head Count 20 (2024 FTE 13 / Head Count 20).

Remuneration of key management personnel

No trustee received any remuneration in respect of their services during the year. No trustees were reimbursed for travel expenses in the year (2024 – £nil).

During the year, the total remuneration, including pension contributions and employer's national insurance contributions, of key management personnel was £381,444 (2024 – £345,560).

9 Related party transactions

No member of the Board of Trustees nor any officer of the Home had any beneficial interest in any contract with the Home during the year.

9 Related party transactions (continued)

The Home has purchased insurance to protect it from any loss arising from any neglect or defaults of any member of the Board of Trustees or employee and to indemnify any Board Member or employee against the consequence of any neglect or default on their part. The total cover provided by such insurance is £2,000,000 (2024 – £2,000,000) and the insurance premium paid by the Home during the year totalled £1,814 (2024 – £1,814).

Donations from trustees totalled £1,200 (2024 – £1,620).

10 Taxation

British Home and Hospital for Incurables is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold building £	Hospital equipment £	Computer equipment £	Transport £	Total £
Cost					
At 1 April 2024	3,918,316	227,992	239,531	15,980	4,401,819
Additions	202,630	30,391	34,780	—	267,801
At 31 March 2025	4,120,946	258,383	274,311	15,980	4,669,620
Depreciation					
At 1 April 2024	3,448,622	149,258	125,532	15,980	3,739,392
Charge for the year	134,166	41,669	35,419	—	211,254
At 31 March 2025	3,582,788	190,927	160,951	15,980	3,950,646
Net book values					
At 31 March 2025	538,158	67,456	113,360	—	718,974
At 31 March 2024	469,694	78,734	113,999	—	662,427

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings.

12 Investments

Investments held at 31 March 2025 comprised the following:

	Investment property £	Listed investments £	2025 £
Market value at 1 April 2024	200,000	9,981,597	10,181,597
Disposals at opening book value	—	(3,013,602)	(3,013,602)
Net losses	—	(292,879)	(292,879)
Market value at 31 March 2025	200,000	6,675,116	6,875,11
Cash held by investment advisors for re-investment	—	2,925,571	2,925,571
Total investments	200,000	9,600,687	9,800,687
Historical cost of investments at 31 March 2025	—	5,999,970	5,999,970

	Investment property £	Listed investments £	2024 £
Market value at 1 April 2023	350,000	10,650,916	11,000,916
Additions at cost	—	20,000	20,000
Disposals at opening book value	—	(1,469,917)	(1,469,917)
Revaluation	(150,000)	—	(150,000)
Net gains	—	780,598	780,598
Market value at 31 March 2024	200,000	9,981,597	10,181,597
Cash held by investment advisors for re-investment	—	549,165	549,165
Total investments	200,000	10,530,762	10,730,762
Historical cost of investments at 31 March 2024	—	8,136,799	8,136,799

The investment property is a share in land held on behalf of five charities. The valuation is at trustees' assessment based on professional advice from Montagu Evans.

13 Debtors

	2025 £	2024 £
Fee debtors	257,644	676,688
Prepayments and accrued income	505,095	647,007
	762,739	1,323,695

Prepayments and accrued income at 31 March 2025 include legacies of £238,500 (2024 – £443,800).

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	460,583	240,150
Amounts held on behalf of residents	78,130	62,983
Accruals and deferred income	393,196	306,836
Social security and other taxation	197,185	232,868
Other creditors	304,470	347,756
Liability on withdrawal from pension scheme	1,247,000	1,247,000
	2,680,565	2,437,593

Note: A corresponding asset for residents' monies is included in cash at bank (see note 21).

Included above is deferred income which relates to income receivable in 2025/26 which can be analysed as follows:

	2025 £	2024 £
Deferred income brought forward	113,548	113,944
Deferred in the year	79,465	113,548
Released in the year	(113,548)	(113,944)
Deferred income carried forward	79,465	113,548

15 Operating lease commitments

At 31 March 2025, the Charity had the following total commitments under operating leases on plant and machinery as follows:

	2025 £	2024 £
Amounts payable:		
Within one year	6,241	6,241
In two to five years	6,241	12,481
	12,481	18,722

16 Endowment fund

	2025 £	2024 £
The D.O. Beale Trust	12,477	12,477

17 Restricted fund

In the year to 31 March 2025 the charity received £Nil in restricted funds (2024 – £5,113). The 2024 funds were raised and expended on the re-decoration of the hairdresser and beauty salon for the wellbeing of the residents and supported by NatWest Bank.

18 Designated funds

The income funds of the Home include the following designated funds which have been set aside out of unrestricted funds by the Board of Trustees for specific purposes:

	At 1 April 2024 £	Released/ added in year £	New designations £	At 31 March 2025 £
Tangible fixed assets fund	662,428	(211,254)	267,800	718,974
Continuity of Care fund	5,900,000	—	—	5,900,000
Major and Cyclical Maintenance fund	2,000,000	(62,109)	—	1,937,891
	8,562,428	(273,363)	267,800	8,556,865

	At 1 April 2023 £	Released/ added in year £	New designations £	At 31 March 2024 £
<i>Tangible fixed assets fund</i>	633,504	(170,727)	199,651	662,428
<i>Continuity of Care fund</i>	5,900,000	—	—	5,900,000
<i>Major and Cyclical Maintenance fund</i>	2,000,000	(78,855)	78,855	2,000,000
	8,533,504	(249,582)	278,506	8,562,428

Tangible fixed asset fund

An amount equivalent to the net book value of tangible fixed assets at the end of the year is designated to recognise that they are not available for general use as they are not readily realisable.

Continuity of care fund

This fund has been established to meet the charity's obligations to provide essential services for all parties in the event of a critical incident. The fund provides for approximately 9 months running costs, in accordance with the reserves policy.

Major and cyclical maintenance fund

This fund has been established as the charity operates from an old Victorian building which is both expensive to maintain and occasionally requires costly unplanned major repairs to the buildings infrastructure. The trustees are developing a ten year plan for updating the property.

19 Analysis of net assets between funds

	Restricted fund £	Endowment fund £	Designated funds £	General fund £	Total 2025 £
Fund balances at 1 March 2025 are represented by:					
Tangible fixed assets	—	—	718,974	—	718,974
Investments	—	12,477	7,837,891	1,950,320	9,800,687
Current assets	3,000	—	—	1,273,087	1,276,087
Creditors: amounts falling due within one year	—	—	—	(2,680,565)	(2,680,565)
Total net assets	3,000	12,477	8,556,865	542,841	9,115,183

19 Analysis of net assets between funds (continued)

	<i>Restricted fund</i>	<i>Endowment fund</i>	<i>Designated funds</i>	<i>General fund</i>	<i>Total 2024</i>
	£	£	£	£	£
<i>Fund balances at 1 March 2024 are represented by:</i>					
<i>Tangible fixed assets</i>	—	—	662,427	—	662,427
<i>Investments</i>	—	12,477	7,900,001	2,818,284	10,730,762
<i>Current assets</i>	3,000	—	—	1,733,548	1,736,548
<i>Creditors: amounts falling due within one year</i>	—	—	—	(2,437,593)	(2,437,593)
<i>Total net assets</i>	<u>3,000</u>	<u>12,477</u>	<u>8,562,428</u>	<u>2,114,239</u>	<u>10,692,144</u>

20 Pension commitments

The Home operated a defined benefit pension scheme providing benefits based on final pensionable pay until 31 March 2014. The defined benefit pension scheme closed to new members and future accrual as at 31 March 2014. The most recent triannual valuation of the scheme was at 1 April 2016.

In February 2018, after seeking advice from their advisors KPMG, the trustees took the decision to buyout of the scheme and a total liability of approximately £1,788,000 crystallised. During 2018, £1,010,000 was paid and the amount outstanding increased due to changes in market conditions, at 31 March 2024 and 31 March 2025 the estimated liability is £1,247,000. The estimated liability is based on information provided by the trustees' professional advisors and Aviva, the insurers.

The Federated Flexiplan No.1 ("the Plan") is a defined benefit pension scheme. It is a "last man standing scheme" which means that all participating employers are joint and severally liable for the Plan's liabilities. However, because of the non-associated multi-employer nature of the Plan, the charity does not have sufficient information available (in particular to identify its share of the underlying assets and liabilities of the Plan) to use defined benefit accounting. As such and as permitted by FRS 102, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount recognised in the statement of financial activities represents the charity's contributions payable to the Plan in respect of the accounting period.

Members of the Plan are entitled to benefits on either a "Pensions Capital" or "Target Pension" basis. Under the Pensions Capital basis, contributions paid by and in respect of members are accumulated up to retirement and then used to secure benefits for the member. Under the Target Pension basis, members receive a defined pension at retirement based on length of service in the Plan and their Pensionable Salary at date of leaving. The Plan is closed to new members and to future accrual of benefits.

21 Cash at bank

Cash at bank of £513,348 on 31 March 2025 (2024 – £412,853) includes £78,130 held on behalf of the residents of the Home (2024 – £62,983). A corresponding liability for these monies is included in creditors (note 14).

Accounts

**British
Home and
Hospital for
Incurables**

**Report and Financial Statements
for the year to**

31 March 2024

Charity Registration Number
206222

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Reference and administrative details

Honorary President	Professor, The Lord McColl of Dulwich
Chair	John Handley (appointed February 2024) Kay Sonneborn BA (retired February 2024)
Deputy Chair	David Green MA (Cantab) (retired November 2023)
Board of Trustees	Kenneth Dunn MA, DipMS Alison Hughes RN, MHSM James Mill TD, CA (retired November 2023) Derek Prentice Rebecca Sycamore (resigned November 2023) Jane Fisher Tom Walker Andrea Haug Taras Fellah Fazeela Chharawala (appointed September 2023) Mr. Karan Kapoor (appointed September 2023)
Chief Executive Officer to the Board	Paul Perkin
Director of Care	Victoria Fields – (resigned December 2023) Merrilee Briggs (joined March 2024)
Director of Finance and Resources	Natasha Charles-Lewis, ACMA
Address	Crown Lane Streatham London SW16 3JB
Website	www.britishhome.org.uk
Charity registration number	206222
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative details

Investment advisors CCLA Investment Management Limited
80 Cheapside
London
EC2V 6DZ

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London, EC4M 8BU

Bankers Barclays Bank plc
Clapham Common Group
PO Box 4038
London, SW12 9YB

Legal advisers Hempsons
40 Villiers Street
London, WC2N 6NJ

The Board of Trustees ('the Board') presents the statutory report and financial statements of British Home and Hospital for Incurables ('British Home') for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out on pages 27 to 30 and comply with British Home's Charter of Incorporation and Regulations, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

A Note from our Chair

Welcome to our Annual Accounts and Report. I am delighted to present this report as the new Chair of the Board of British Home having taken up my new role in January this year. As I reflect on this past year, I am proud of what the Board has achieved as it continues to steward the charity toward its strategic aim of becoming a leading provider of neuro-rehabilitation and specialist care and support for people living with neurological conditions. Over this last year we have continued to invest in our neuro-rehabilitation offer and have recruited talented therapists, including Speech and Language, Occupational and Physiotherapists, with specific insight into neurological conditions. We will continue to build on this in the coming year with the introduction of an associate Psychologist and Music Therapists to improve the rehabilitation potential of all of our residents.

We continue to work with our partners and commissioners to realise our ambition of developing a Specialist Level-2 Neuro-rehabilitation service (as defined by the British Society for Rehabilitative Medicine), to support people leaving acute care to regain their independence in line with their personal goals. This ambition could not be achieved without the hard work and dedication of all of our skilled staff at British Home. It is through their invaluable contribution that the charity is able to develop new innovations for its residents and the Board remain incredibly grateful for the work that they do.

Of course, it is important to recognise the tremendous efforts of our committed volunteers who give up so much of their personal time to provide residents with a wide range of social activities as well as befriending and emotional support. The contribution of our volunteers enhances the homely, happy atmosphere of British Home.

As well as the opportunities presented to our great charity, the Board continue to work diligently to address those risks present within the current cost of living crisis, of which British Home is not immune. As reported in previous years, the cost of providing care and ancillary services continue to increase with inflation and the challenge for us is to ensure that these costs are met by commissioners. The Leadership Team of British Home continue to negotiate with all of our funders to address the shortfall in funding for those residents whose care fees do not meet the real cost of their care. While these negotiations have resulted in achieving fair and best value care fees, there is still more to do. The widely reported shortage in nursing and social care staff continues to impact on British Home and the Board recognise that this crucial work needs to be sufficiently rewarded. Last year the Board awarded a 3.5 % increase in staff salaries but recognise that there is still much further to go, while the cost of living for our staff continues to increase. Over the next year, the Leadership Team will continue to revise and renegotiate care fees to ensure that the charity can continue to attract and retain talented staff for the benefit of our current and future residents.

Report of the Board of Trustees Year to 31 March 2024

A Note from our Chair (continued)

While our focus remains on ensuring that care fees are commensurable with cost, we are also grateful to our charitable funders without whom, we would not be able to offer the services and equipment that enhance our resident's lives and opportunity of rehabilitation. The Board would like to thank, once more, our loyal supporters of charitable trusts and individuals who have donated so generously over this last year. Your kindness and generosity remain greatly appreciated.

Finally, I would like to thank my fellow Trustees and our Senior Leadership team for all of their hard work and commitment. Special mention should go to my predecessor Kay Sonneborn who retired in January this year. Kay was first appointed to the Board in 1993 and spent the last fourteen years leading the charity as its Chair. Under Kay's excellent leadership, British Home has not only persevered through seemingly insurmountable challenges, but it has thrived, which showcases her resilience and strategic acumen. At the end of 2023, two of our longstanding Trustees, David Green and James Mill also retired from the Board having served twenty-one years and eighteen years respectively. The Board and everyone at British Home would like to thank them for their insight and invaluable contribution and we wish them well in their retirement.

This coming year will be one of our most exciting ever, as we move even closer to achieving our strategic aims. It is through the efforts of everyone involved in leading this great charity, that we will continue to improve the life chances of everyone living with a neuro-disability.

Composition of the Board of Trustees

The Charity Board of Trustees is:



Chair: Kay Sonneborn (retired from the Board February 2024)

Kay was an investment analyst for a US investment bank for many years. She has been involved with the charity and health sector for over 30 years and has held senior non-executive roles in the NHS. Kay was Chair of the largest Primary Care Trust in London for ten years.



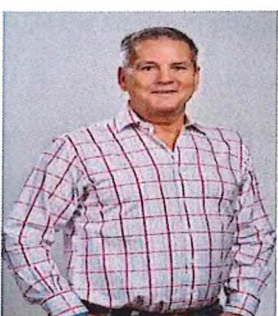
Chair: John Handley (appointed February 2024)

At its meeting in November 2022 Trustees agreed to appoint John Handley to the Board of British Home. John is an internationally experienced executive who has worked extensively with business leaders across small and large businesses, fully owned and joint venture partnerships, listed and not for profit sectors, in services and manufacturing industries and in emerging and mature markets including Saudi Arabia, India, Australia, the United States and the UK. An accredited WABC Executive Coach.



Deputy Chair: David Green (retired from the Board November 2023)

David worked in Merchant banking before a long involvement with the charitable sector in London, firstly as Finance Director of the London Voluntary Service Council and subsequently as Chief Executive for the Cripplegate Foundation and the St Luke's Parochial Trust, allocating millions of pounds in grants to projects in Islington.



Kenneth Dunn

Kenneth Dunn joined the Board of Trustees in December 2014. Kenneth has some 30 years of social care experience. He has a broad knowledge of the care industry and government policies and procedures regulating care.



Alison Hughes

A nurse and midwife with 36 years' experience, Alison trained at University College Hospital before moving to Oxford and then Australia to practice. She spent four years overseas before joining the cardiac unit at St George's Hospital Tooting, moving from Sister to Head of Nursing and finally Divisional Director of Nursing and Governance. Alison retired from the NHS in 2015 and currently works part time on a consultancy basis.

Composition of the Board of Trustees (continued)



James Mill (retired from the Board November 2023)

James worked in oil and gas exploration for much of his career, operating in Libya, Pakistan and Canada amongst other places. For the last ten years of his working life he was Finance Director of the Royal Star & Garter Home, a 180-bed nursing home and military charity in Richmond, and consequently has extensive experience of the challenges facing charities like British Home.



Derek Prentice

Derek spent the majority of his career in consumer affairs, spending over twenty years with Consumers' Association (Which?) and serving as the President of the European Consumers Organisation BEUC. Derek is a Council Member and Trustee of the Royal College of Emergency Medicine and Chairs its Lay Group. Derek has been the Vice Chair of the Lay Group of the Academy of Royal Medical Colleges, the Chair and Lay Member of the General Dental Council and a Trustee of King's College Hospital.



Rebecca Sycamore (resigned from the Board November 2023)

Rebecca has considerable experience of Director level posts within large charities. She is currently Executive Director of Development at the homelessness charity and Housing Association, St Mungo's where she has responsibility for fundraising, communications and marketing, business development and strategic asset management. She has also been a specialist social worker, helping homeless people experiencing mental health problems for the London Borough of Ealing, as well as holding positions with Crisis and Homeless Link.



Jane Fisher

Jane has worked in the NHS for over thirty years, starting as a nurse with a special interest in trauma. After twenty years on the front line, she moved into NHS management and now manages the Northwest London Renal and Transplant Service (the largest such unit in Europe). Jane is passionate about healthcare and has a strong commitment to delivering equality and diversity.

Composition of the Board of Trustees (continued)



Tom Walker

Tom is currently Co-Head of Global Listed Real Assets for Schroders where he is responsible for a large real asset investment portfolio and has significant experience in investment management.



Andrea Haug

Andrea has successfully led HR in a number of sectors including retail, media and entertainment, hotels and hospitality, infrastructure, and financial services in both the UK and internationally. She has broad experience at both strategic and operational levels across all areas of HR. Her deeper specialisms include leadership, culture, employee engagement, and organisational change. Andrea's passions are supporting leaders through periods of growth, uncertainty, and change, and building workplaces that are welcoming and inclusive, where everyone feels they belong and are able to contribute, achieve and progress.



Taras Fellah

Taras spent 7 years within the internal audit function of IQVIA, a US listed multi-national healthcare company before taking up his current role of Senior Director of Financial systems.



Fazeela Chharawala

At its meeting in September 2023 Trustees agreed to appoint Fazeela Chharawala to the Board of British Home. Fazeela Chharawala is a registered Neurosciences Occupational Therapist who specialised in neurorehabilitation prior to working in her current field in health innovation. She works as a Senior Innovation Manager in NWLs Health Innovation Network -IHP and co-founded the Imperial HOTT (Helping Our Teams Transform) innovative surgical safety culture programme. She teaches Human Factors and has a keen interest in patient safety and quality. Fazeela utilises her passion for innovation, system collaboration and leadership in her everyday work where she implements strategic transformation to enable equitable and improved clinical outcomes for populations.

Composition of the Board of Trustees (continued)



Mr. Karan Kapoor

At its meeting in September 2023 Trustees agreed to appoint Mr. Karan Kapoor to the Board of British Home. Karan is highly esteemed consultant ear, nose and throat surgeon based in Surrey.

Board Responsibilities Statement

The charity's trustees are responsible for preparing the report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice. Charity law requires the Board, as trustees, to prepare financial statements which give a true and fair view of the financial activities of British Home during the year and its financial position at the end of the year. In preparing the attached financial statements, the Board is required to:

- ◆ select suitable accounting policies and then apply them consistently.
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent.
- ◆ state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that British Home will continue to operate.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of British Home and which enable it to ensure that the financial statements comply with the Charities Act 2011. The Board is also responsible for stewarding the assets of British Home and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure, governance, and management

British Home was granted a Royal Charter on 1 November 1899. It is governed by a Charter of Incorporation and Regulations (revised 8 January 2009) and is a registered Charity (No. 206222). Responsibility for British Home rests with the Board who are the trustees of the charity for the purposes of charity legislation.

British Home is regulated by the Charity Commission, by the Care Quality Commission (CQC) and, as a Royal Charter Company, by the Privy Council.

The Board met formally in each quarter of the last financial year, and also held its annual away day to review the charity's strategic plan. At 31 March 2024 the Board comprised eight members who held office throughout the year, and two new members appointed in September 2023. As previously noted, David Green, James Mill and the Chair Kay Sonneborn retired from the Board during the year. Rebecca Sycamore resigned from the Board when her term on the board ended during the year.

Trustees did not receive any remuneration for services as a member of the Board.

Board Committee Structure

The Board periodically reviews its governance committee structure, to ensure that it remains fit for purpose and responsive to emerging, strategic opportunities and risks. At its most recent strategic planning day in March 2024, the Board undertook a review of its governance and Committee structures in line with its refreshed strategy. At its following meeting in May 2024 the Board agreed to introduce a new sub-committee to oversee the development and implementation of a new People Plan which will ensure the continuous professional development of all of the charity's staff. The new Workforce Development Committee will support the Executive in ensuring that British Home continues to recruit, develop and retain talented people, while also supporting a positive culture where all staff will have equal opportunity to thrive and continue making a positive difference in their roles.

Care Governance Committee

The Care Governance Committee provides assurance to the Board by having Trustees with relevant clinical experience to review the provision of care and therapy in the Home, and to offer support and counsel to the Director of Care in this regard. The Care Governance Committee maintains oversight of British Home's clinical practice and care provision including quality assurance, service improvement, safe practice, and regulatory compliance. In September this year, two new Trustees with specific clinical expertise were recruited onto the Care Governance Committee, in anticipation of British Home establishing a new specialist Level-2 neuro-rehabilitation service.

Finance Committee

The Finance Committee has delegated responsibility from the Board to oversee and review all financial aspects of the Charity's operations including the Charity's investment strategy and appointment of its Investment Managers. The Finance Committee also has responsibility for British Home's human resources, building and maintenance services, as well as the development of the Charity's IT and digital strategy. The Finance Committee continues to set annual targets to reduce the current deficit and achieve an annual operational surplus.

Structure, governance, and management (continued)

Finance Committee (continued)

Since the pandemic, the recruitment of care staff within a challenging market has emerged as the Charity's key strategic risk. The Finance Committee continues to review staff salaries and benefits to ensure that these remain competitive and to advise the Remuneration and Nominations Committee in this regard. In April 2023 Tom Walker was appointed as the Chair of the Finance Committee. Tom succeeded following the retirement of David Green who had held the role of Chair since the Committee was reformed in January 2018.

Redevelopment Oversight Committee

The Redevelopment Oversight Committee was established in 2021, to explore the options for funding the development of a new care facility through either a full or part sale of the existing building. Since the Committee's inception, two feasibility studies have been commissioned (2021 and 2023) and both have concluded that the costs of any new development would require significant investment beyond the proceeds of the sale of our building. At its strategic planning day in March 2023, the Board agreed to a refurbishment programme to modernise the building and to meet the costs through a capital fundraising appeal. The Board are satisfied that the best option for the charity is to remain on its existing site and therefore the Redevelopment Oversight Committee was dissolved having successfully stewarded the Board to this conclusion.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee has oversight of the balance and effectiveness of the Board, including the appointment of new Trustees. The Remuneration and Nominations Committee is also responsible for the remuneration of the executive management team of the Charity, as well as the annual review of staff salaries and benefits.

Trustee recruitment, induction, and training

The Board annually reviews the mix of skills and experience of its members and seeks new Trustees where specific skill gaps are identified. New Trustees are offered an individually tailored induction programme to familiarise themselves with all aspects of the charity's work, legal and statutory responsibilities, including all relevant regulatory requirements determined by the Charity Commission.

In September 2023, the Board appointed two new Trustees in line with its succession plan.

The Board is regularly updated on all key operational and clinical developments within the Home and each Trustee participates in the monthly Board visitor programme where they can hear first-hand from residents, staff, and families about the quality of service being provided.

Management of British Home

The key management personnel of British Home responsible for directing and controlling the operations of the charity comprises the Board of trustees, the Chief Executive Officer, the Director of Care and the Director of Finance and Resources.

Structure, governance, and management (continued)

Management of British Home (continued)

Paul Perkin (BA Hons) is the Chief Executive Officer of British Home. Paul took up this post in April 2017. Paul has over twenty years' experience within the social care and housing sector. Paul holds a BA Hons degree in Urban Policy from Lancaster University and has a long track record of campaigning and advocating on the behalf of society's most vulnerable people.

Natasha Charles-Lewis ACMA (MSc) is the Director of Finance and Resources at British Home. Natasha took up this role in September 2019. Natasha has over sixteen years' finance experience within the healthcare and charitable sector. Natasha is an associate member of the Chartered Institute of Management Accountants and holds a further degree in strategic business management.

Victoria Fields (MSc) resigned as the Director of Care at British Home she left in December 2023.

Merrilee Briggs joined the as Director of Care at British Home in March 2024. Merrilee is a Registered Nurse and has worked in Health and Social Care for over 20 years. Merrilee has held Senior roles in care quality and commercial development in both the private and charity sectors and has a particular passion for developing neuro-rehab services to improve access, recognising that everyone has a right to rehab.

Aims Objectives and Strategy

British Home provides specialist nursing and rehabilitation to adults living with neuro disability. This will typically include people living with severe impairment often resulting from brain injury, stroke or through a degenerative illness. We work with each of our residents to tailor a holistic and bespoke package of care and rehabilitation, enabling them to live as full and independent lives as possible. British Home also provides end of life care, ensuring that dignity, comfort, and choice remain at the heart of all that we do.

British Home is registered to look after a maximum of 127 residents; however, due to the increasing complexities of residents over the last several years, the number of commissioned units has been reduced to achieve a more optimum operational capacity of 80 beds This includes beds for both fast-stream and longer-term rehabilitation, as well as palliative care and respite.

During the pandemic, the average occupancy within the service reduced significantly due to higher mortality rates amongst residents and delayed discharge from referring agencies. Since the end of the pandemic, we have continued to receive referrals for residents with increasingly more complex needs. This has resulted in more time needed to plan for admissions which has impacted on bed occupancy. We have also seen an increase in residents requiring neuro-palliative care in the last year. Average occupancy over the last year on this basis was 89% or 71 residents (2023 – 85% or 68 residents).

In March 2024, the Board reviewed its 5-year strategy, with a central aim to build upon its experience and become a specialist provider of neuro-disability rehabilitation. Over the next three years, the Board will continue to invest charitable income to develop British Home into

Aims Objectives and Strategy (continued)

a centre of excellence for specialist rehabilitation, in line with The British Society of Rehabilitation Medicine (BSRM) standards. Over the next year the charity will introduce four Specialist Level-2 rehabilitation beds within the service, in the expectation that this will increase to fifteen beds within two years. In addition to this, we will continue to support more people to manage their conditions more effectively within the community, with an emphasis on increased independence, pain relief and greater enjoyment of life (including those approaching end of life).

Public benefit

In setting the charity's objectives the trustees have considered the Charity Commission's guidance on public benefit. The Board believes that British Home continues to meet the Charity Commission's public benefit test principally in that the majority of residents in British Home have for many years benefited from the availability of statutory funding. The charity provides additional rehabilitation and social support to residents from its own charitable funds and through specific fundraising initiatives.

Our Values

All at British Home are committed to upholding our organisational values which have been developed in collaboration with our residents, staff and other stakeholders and partners.

These values inform every aspect of our work, including the care we provide to residents and the way we support our staff to carry out their important roles.

Our Values determine that we:

- ◆ put the individual at the heart of their care;
- ◆ understand that every individual will have their own targets and motivations, and that rehabilitation is a process that people take at their own pace;
- ◆ recognise the advantages that our diversity provides, we will harness the talent and energy of everyone at British Home: staff, volunteers, residents, families and carers.
- ◆ will always act with integrity, openness and honesty; and
- ◆ are committed to the highest standards and will embrace innovation and models of best practice.

Personalised Support

At British Home, we recognise that each resident is an individual and that they and their families will often provide the greatest insight into how our staff can best meet their care needs. Residents at British Home are continually assessed by a multi-disciplinary team comprising of clinical staff and therapists to ensure they receive an appropriate service offer commensurate with their individual needs. We work with residents and their families to develop personalised care plans, ensuring that they direct and control the care we provide. Over the next year we will continue to train and develop all our nursing and care staff in rehabilitation support, which will ensure greater integration of each resident's individual therapy and treatment plans across all aspects of their daily care.

Public benefit (continued)

Personalised Support (continued)

We continue to work with residents receiving palliative care to develop personal end of life care plans. Last year 100% of residents had an agreed end of life plan in line with their personal wishes.

Risk management

The Board regularly reviews the potential major risks to the charity and undertakes a formal risk audit each year to identify any additional risks that the charity may be exposed to and to ensure that adequate control measures are in place to mitigate identified risks. To protect the assets of the charity, British Home maintains a comprehensive suite of insurance policies.

The Board considers the 'failure to reduce its operational deficit', as its key strategic and operational risk, given that this would have a detrimental impact on the future sustainability of the Charity and the well-being of its residents. The Charity's 5-year strategy has guided British Home's transition from a traditional nursing care model to that of a specialist provider of neuro-disability nursing care and rehabilitative support. This will ensure that care fees are more commensurate with residents' support needs and that the Charity is not required to subsidise the costs for those residents who no longer require the level of specialist nursing and support provided within the Home.

In recent years the health and social care sector has experienced significant challenges around recruitment and retention of experienced care staff. British Home is not immune to this, and over the last two years the recruitment and retention of skilled staff into British Home has emerged as a key risk for the charity. The Executive Team has introduced a range of measures to attract talented staff and to reduce its dependency on temporary workers, with some success. However, this has not been without significant cost as the Charity has sought to increase salaries and benefits to attract skilled workers within a competitive market. The Executive Team will engage with its commissioners to ensure that care fees reflect the demands of local labour markets, and that British Home can continue to attract and retain highly skilled and experienced staff.

Volunteers & Carers

Volunteers at British Home make a positive difference to the lives of our residents through their involvement in a wide range of activities including rehabilitation support, recreational activities, befriending and fundraising. The Board remain grateful for the significant contribution that all of our volunteers make to the charity and its residents.

British Home also places significant value in the views and contributions of its community of resident's families and carers. The Charity offers a variety of ways for families and carers to have their say on how care and support is delivered at British Home, recognising their role as advocates and experts in how their loved ones are cared for. Over the last year, families and carer's views were heard through online quarterly families and carer's meetings as well as through our annual family and carer surveys.

Public benefit (continued)

Fundraising

The shortfall in our operating income, as noted below, is made up in part from generous donations and legacies bequeathed to the Home. British Home is reliant on voluntary contributions to provide resources and develop innovation to improve the lives of everyone we support. The Board are grateful for all charitable contributions from our generous donors and would like to pay particular thanks to the following Trusts and individuals for their continued support:

J H Bartlett Charity
Charities Trust
The J A T Caulfield Trust
Bothwell Charitable Trust
Davis-Rubens Charitable Trust
I V Askew Charitable Trust

The Board would also like to thank all who have donated to British Home in memory of loved ones and to the many people have supported us with a legacy in their Will.

In June this year, British Home introduced its charity lottery. It is hoped that this will deliver a new revenue stream of unrestricted charitable funds over the coming years to fund new and emerging technologies to improve the rehabilitation potential for people living with neuro-disability. As a charity registered with the Fundraising Regulator, we are committed to ensuring our fundraising is legal, open, honest, and respectful. British Home did not actively pursue donations from individuals and the general public and did not use the services of a professional fundraiser. No complaints were received in relation to how the charity conducted its fundraising activity.

Environmental, Social and Governance

Since its inception British Home has provided care and support to some of the most vulnerable people within its community. We remain proud of the public benefit we continue to provide to severely disabled people, and we also recognise the wider role we can and should play towards reducing our environmental impact, increasing diversity and inclusion, and ensuring strong and ethical governance practices.

The charity continues to ensure that its investments are managed in compliance with ESG criteria, through dedicated funds in line with Charity Commission Guidance. Over the next two years we will continue to build upon this commitment to ESG practices in a variety of ways; from how we manage our carbon footprint, including procuring services and influencing our suppliers' environmental practices; to how we ensure the welfare of our staff and increase opportunity and diversity across our workforce.

Financial review

Performance in the year

The operating deficit for the period was £2,344,257 (2023 – £2,500,523) as shown in the table below:

	2024 £	2023 £
Fees	6,522,633	5,482,299
Less: Expenditure	(8,866,890)	(7,982,822)
Operating deficit	(2,344,257)	(2,500,523)
Donations	75,995	72,785
Investment income	345,364	359,415
Other Income	81,526	14,828
Deficit before legacies	(1,841,372)	(2,053,495)
Legacies	598,250	212,621
Pension scheme buyout	(469,000)	—
Net expenditure for the period before investment gains and losses	(1,712,122)	(1,840,874)

a) *Fees*

Income from fees charged increased by 19% to £6,522,633 (2023 – £5,482,299). The increase in income is a result of improvement in average occupancy and higher fees generated on new admissions where focus continues on attracting specialist needs residents with neurological conditions and a greater emphasis on the charity's therapy provision. As in recent years, a low level of fee increases was awarded for longer term residents and only by a small number of funders putting continued pressure on the charity's resources.

b) *Expenditure*

Expenditure in 2024 increased by 11% to £8,866,890 (2023 – £7,982,822).

Within this total, staffing costs amounted to £5,078,694 (2023 – £4,179,929) an increase of £898,765. British Home staff are the heart of our organisation, whenever possible the Board endeavours to provide a real increase in pay and ensures that staff are paid in line with industry standards.

c) *Fundraising and publicity*

Costs, with allocated support costs, totalled £133,793 (2023 – £147,377). This included costs for the external marketing of British Home to continue raising awareness of British Home and its work, to support its fundraising endeavours.

d) *Donations*

Donations increased within the last year to £75,995 (2023 – £72,785). In the current year we received large donations from J H Bartlett Charity Trust. We are thankful for the great support of individual donors and charitable trusts, a number of whom have been loyal supporters of British Home for many years. The Board equally values every contribution regardless of size and is particularly grateful for the dedication of local groups and individuals in helping to fundraise.

Financial review (continued)

Performance in the year (continued)

e) Income

Income from legacies increased over the prior year to £598,250 (2023 – £212,621). In line with the legacy income recognition policy, whereby a future legacy receipt is recognised as income provided probate has been granted and eventual receipt is probable, £443,800 (2023 – £21,044) has been recognised as income ahead of receipt in cash. Historically the legacy income of British Home has fluctuated and is unpredictable from year to year.

Pension Liabilities

The charity previously operated a final salary pension scheme which closed to new members as of 31 March 2014.

The Board engaged KPMG to advise it as to whether measures could be taken to potentially mitigate the liabilities of the scheme and whether securing member' benefits under the scheme through an insurance company buy-out might be an affordable option for British Home. The Board considered that removing at an affordable cost the risk to its reserves represented by an open-ended obligation to fund any future deficits in the scheme would be in the best interests of the charity.

In February 2018 the trustees decided to withdraw from the scheme and a total liability of approximately £1,788,000 crystallised. This quotation also included costs for legal and actuarial fees associated with the buy-out, as well as provision for any unforeseen costs arising from a final data cleansing exercise of the scheme, which will be jointly conducted by Aviva and the scheme's actuary.

The trustees paid over the sum of £1,010,000 on 3 March 2018. There remained a provision in the accounts at the 2022/23 reporting date of £778,000. The time taken to conclude the buyout has extended considerably, given the unforeseen changes to member benefits brought about in 2018 affecting UK workplace pension schemes. This followed a High Court Ruling in 2018 which required adjusting pensions for any unequal Guaranteed Minimum Pension (GMP) within the pension schemes. In 2023/24, the Trustee for the pension has given a revised estimate of £2,257,000 for the total liability, given changes in market conditions affecting the pension fund over the time taken to finalise the buyout. This has resulted in the revised final payment increasing to £1,247,000, subject to the prevailing market conditions at the point of winding up the scheme'.

The replacement to the now closed final salary scheme is a defined contribution Group Personal Pension Plan provided through Royal London. Under this arrangement British Home contributes 10% of pensionable salary while employees contribute 5%. Employees who have not elected to join the GPPP are, if eligible, subject to auto-enrolment at contribution rates set as part of the Government's pension membership initiative.

Financial review (continued)

The Home's Net Assets

The net assets of British Home at 31 March 2024 were £10,692,144 (2023 – £11,773,668). Of these £662,427 (2023 – £633,504) related to fixed assets which were comprised mostly of freehold buildings, which are wholly used for charitable purposes and are represented by a specific designated fund. Fixed asset purchases and disposals during the year are shown in the notes to the financial statements. The net assets also included £12,477 of endowment funds not expendable by the charity. After allowing for further designated funds as described below the general unrestricted funds of the charity at 31 March 2024 were £2,114,239 which equates to approximately three month's running costs (see policy below).

Reserves policy and financial position

In determining the level of reserves necessary to continue the work of British Home, the Board balances its long-term obligations and risks with the needs of current beneficiaries. Where there is a capital commitment, a need to generate income for a specific purpose, or a need to ring-fence funds for the future stability of the charity, the Board has established designated funds. COVID- 19 had a significant impact on the charity's reserves and highlighted the need to retain an appropriate level of free reserves in order to respond to unforeseen events and to protect the wellbeing of the charity's beneficiaries. The board believes that the charity's general fund, i.e. the free reserves should be between 3 to 12 months of annual running costs, in addition to the continuity of care fund (below).

Designated reserves

At the end of the financial year 2023/24 the British Home held £10,730,762 in investments. These funds were split between general reserves of £2,818,284, endowment funds of £12,477 and £7,900,001 designated funds for continuity of care and major and cyclical maintenance. The Board is awaiting costings for the planned redevelopment project which would require a further designation along with capital fundraising to fund the project. The Board has currently made the following designations.

Continuity of Care Fund

The Board of Trustees is conscious of its long-term obligation to the residents in its care, their sponsors and their carers and to balance the needs of current residents with those of the future. The Board believes that the equivalent of 6 to 9 months anticipated costs is required to meet its obligations to provide essential services for all parties in the event of a critical incident. The Board has therefore designated £5.9M of its reserves to this fund, to provide for nine month's running costs.

Major and Cyclical Maintenance Fund

The British Home operates from an old, Victorian building which is both expensive to maintain and will also occasionally require costly unplanned repairs. Trustees have therefore created a fund to meet the costs of major and cyclical maintenance when the need arises. The Board has designated £2M of its reserves to this fund, in the event that major repairs are required to the building's infrastructure.

Financial review (continued)

Investment policy and performance

The investment objective of the Board is to maintain the real value of the fund over time whilst generating a stable and sustainable return on investments in the form of dividend payments to supplement the charity's income. The Finance Committee has responsibility for agreeing strategy and monitoring the investment assets. The committee meets quarterly and reviews the portfolio's performance.

The market value of the portfolio at 31 March 2024 was £10,530,762 (2023 – £11,713,705 and 2022 – £13,801,164). This is a book valuation and may differ significantly from the price achieved when the funds are sold. The value of the portfolio increased during the year following positive movement in the investment markets despite withdrawals to cover cash shortfalls arising from the deficit. The amounts drawn down on 31 March 2024 were £1,500,000 (2023 – £1,500,000 and 2022 – £500,000). The underlying investment performance showed net investment gains of £780,598 for the year, (2023 – £600,455 losses and 2022 – £651,943 gains) reflecting the change in market value of investments since 31 March 2023. The income produced from these investments amounted to £345,364 (2023 – £359,415 and 2022 – £362,042).

Whilst the charity's funds are of a sufficient size to have a segregated portfolio, the Trustees decided, after a review some years ago, to invest in pooled and common investment funds for charities. The saving in costs is considerable but it means that the charity loses its power to directly influence and control the underlying investments made or the detail of the Environmental, Social and Governance (ESG) policies to be followed.

The two funds in the portfolio are the COIF Charity Investment and Fixed Income Funds, managed by CCLA, and the Sarasin Consolidated Alpha Fund for Endowments, managed by Sarasin & Partners. Both these managers are mindful of the ethical concerns of their charity clients and pursue active ESG research. This research informs not just asset allocation, assessment of risk and stock selection but also how they vote the shares they buy. Both managers talk to the management of those companies to raise concerns. Both managers publish detailed ESG policies and descriptions of how they assess risk. Both managers also present annually to the Finance Committee illustrating the analysis of the financial return, risk, asset allocation, the funds' performance against agreed market benchmarks, and the investment objectives.

Future plans

In March 2024, the Board of British Home revised the charity's 5-year strategic plan. Our new strategy 2023-2026, has been developed to focus on what we do well today and make it even better. We will provide high quality specialist neuro rehabilitation to a local and wider population. As the complexity of resident care increases, we will expand our offer to new cohorts of residents including specialist Level- 2 provision which provides a much greater therapeutic input to residents who will benefit from this higher level of intervention. It is also our intention to provide outpatient rehabilitation services to reach even more people living within the community. These new services will complement our existing provision of longer-term rehabilitation and palliative care and we will continue to invest in these areas as we progress our strategy.

Future plans (continued)

As part of this strategy, we will continue to refurbish our beautiful building. This will include new infrastructure and in-house facilities that will enable us to incorporate the latest technologies to support people with their rehabilitation. Furthermore, we will consult with our residents and staff to create a more modern and therapeutic environment for all who live and work at British Home.

Auditor

Buzzacott LLP, the Home's auditors have indicated their willingness to remain in office for a further year.

Thanks, and acknowledgements.

The Board continues to be highly appreciative of the support for the Home shown by commissioners of social care. British Home as an independent charity well understands the cost pressures associated with the provision of social care and hopes that the Board and Commissioners can work together to ensure the ongoing provision of first class, affordable care at Crown Lane long into the future.

The success of British Home as a charity is down to the combined efforts of many individuals and organisations. However, one group clearly stand out as being the bedrock on which the charity stands, and that group is its dedicated and caring staff. The Board would like to say 'thank you' to every member of our staff who 'day in, day out' do a wonderful job in supporting, caring and enriching the lives of the residents of British Home.

Approved by the Board of Trustees and
signed on its behalf by:

Approved on:

12 September 2024

John Handley

Independent auditor's report to the trustees of British Home and Hospital for Incurables

Opinion

We have audited the accounts of British Home and Hospital for Incurables (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of 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 accounts 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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 accounts 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); Care Standards; Health and Safety Regulations; The Code of Fundraising Practice; Safeguarding Regulations; and Data Protection; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

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

Auditor's responsibilities for the audit of the accounts (continued)

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Assessed controls over funds held for residents;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

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

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

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor 13 September 2024
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities Year to 31 March 2024

	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	2024 Total funds £	2023 Total funds £
Income from:						
Donations and legacies	1	669,132	5,113	—	674,245	285,406
Investment income	2	345,364	—	—	345,364	359,415
Charitable activities	3	6,522,633	—	—	6,522,633	5,482,299
Other income	4	81,526	—	—	81,526	14,828
Total income		7,618,655	5,113	—	7,623,768	6,141,948
Expenditure on:						
Raising funds	5	133,793	—	—	133,793	147,377
Charitable activities	6	8,727,984	5,113	—	8,733,097	7,835,445
Pension scheme buyout	20	469,000	—	—	469,000	—
Total expenditure		9,330,777	5,113	—	9,335,890	7,982,822
Net (expenditure) for the year before investment gains (losses)		(1,712,122)	—	—	(1,712,122)	(1,840,874)
Gains (losses) on investments	12	630,598	—	—	630,598	(600,455)
Net (expenditure) and net movement in funds		(1,081,524)	—	—	(1,081,524)	(2,441,329)
Fund balances brought forward at 1 April 2023		11,758,191	3,000	12,477	11,773,668	14,214,997
Fund balances carried forward at 31 March 2024		10,676,667	3,000	12,477	10,692,144	11,773,668

All of the Home's activities are derived from continuing operations during the above and prior financial period.

Balance sheet 31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible fixed assets	11		662,427		633,504
Investments	12		10,730,762		12,063,705
			<u>11,393,189</u>		<u>12,697,209</u>
Current assets					
Debtors	13	1,323,695		563,729	
Cash at bank	21	<u>412,853</u>		<u>567,203</u>	
		1,736,548		1,130,932	
Creditors: amounts falling due within one year	14	<u>(2,437,593)</u>		<u>(2,054,473)</u>	
Net current (liabilities)			<u>(701,045)</u>		<u>(923,541)</u>
Net assets			<u>10,692,144</u>		<u>11,773,668</u>
The funds of the charity:					
Endowment fund	16		12,477		12,477
Restricted funds	17		3,000		3,000
Unrestricted funds					
. Designated funds	18		8,562,428		8,533,504
. General fund			<u>2,114,239</u>		<u>3,224,687</u>
			<u>10,692,144</u>		<u>11,773,668</u>

Approved by the Board of Trustees on and signed on its behalf by:

12 September 2024

John Handley

Statement of cash flows 31 March 2024

	Notes	2024 £	2023 £
Cash outflow from operating activities:			
Net cash used in operating activities	A	(2,263,604)	(1,935,261)
Cash inflow from investing activities			
Dividends and interest from investments		345,364	359,415
Purchase of investments		(20,000)	—
Sale of investments		1,469,917	1,500,000
Purchase of fixed assets		(199,651)	(200,595)
Net cash provided by investing activities		1,595,630	1,658,820
Change in cash and cash equivalents in the year		(667,974)	(276,441)
Cash and cash equivalents at 1 April 2023	B	1,629,992	1,906,433
Cash and cash equivalents at 31 March 2024	B	962,018	1,629,992

Notes to the cash flow statement for the year to 31 March 2024.

A Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds (as per the statement of financial activities)	(1,081,523)	(2,441,329)
Adjustments for:		
Depreciation charge	170,727	136,745
(Gains) losses on investments	(630,597)	600,455
Dividends and interest from investments	(345,364)	(359,415)
Decrease/(Increase) in debtors	(759,966)	7,312
Increase/(Decrease) in creditors	383,120	120,971
Net cash used in operating activities	(2,263,604)	(1,935,261)

B Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	412,853	567,203
Cash held by investment managers	549,165	1,062,789
Total cash and cash equivalents	962,018	1,629,992

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies Year to 31 March 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2024 with comparative information provided in respect to the year ended 31 March 2023.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ valuation of the investment land;
- ◆ legacy recognition; and
- ◆ estimating future inflows and outflows for the purpose of assessing going concern

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. At 31 March 2024 the charity had net current liabilities of £701,045 (2023 – £923,541). The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due by drawing down on the investment funds when required. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2025, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy section of the trustees' report for more information).

Income

Income is recognised in the year in which the Home is entitled to receipt thereof, the amount can be measured reliably, and it is probable that the funds will be received.

Legacies are included in the statement of financial activities when the Home is advised by the personal representative of an estate that payment will be made, or property transferred, and the amount involved can be quantified.

Donations are recognised when the charity has confirmation of both the amount and settlement date.

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

Fees from medical and nursing services are recognised when the service has been provided.

Expenditure and the basis of apportioning costs

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, 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 includes attributable VAT which cannot be recovered.

The majority of costs are directly attributable to specific activities. Support costs are allocated to expenditure on raising funds and charitable activities according to underlying activity levels. These were established using a number of suitable indicators including staff time and floor space.

Expenditure comprises the following:

- a. Expenditure on raising funds includes the salaries, direct costs and support costs associated with generating donated income and the fees paid to investment managers in connection with the management of the Home's listed investments.
- b. Expenditure on charitable activities comprises expenditure on the Home's charitable purposes as described in the report of the Board of Trustees and includes support costs.

Principal accounting policies Year to 31 March 2024

Tangible fixed assets

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings. The buildings were insured on a replacement basis for £45m at 31 March 2024 (at 31 March 2023 – £42m).

All assets costing more than £5,000 are capitalised. Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

♦ Freehold buildings	4% on cost
♦ Water Tank	10% on cost
♦ Hospital and catering equipment	20% on cost
♦ Office furniture and equipment	20% on cost
♦ Computer equipment	20% on cost
♦ Transport	20% on cost

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Land held for investment is included in these accounts at fair value based on open market value. The land valuation is at trustees' assessment based on professional advice from Montagu Evans.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are credited (or debited) in the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Principal accounting policies Year to 31 March 2024

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Endowment Funds comprise monies donated which are not to be expended. Only the income can be used for the charitable objectives of the Home.

Restricted Funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Designated Funds comprise monies set aside out of unrestricted general funds and designated for specific purposes, although the Board of Trustees may ultimately use such funds for other purposes.

The General Fund comprises those monies which are freely available for application towards meeting the charitable objectives of the Home at the discretion of the Board of Trustees.

Pension costs

From 1 April 2014, British Home is operating a defined contribution scheme. Contributions are recognised in the statement of financial activities when payable.

1 Donations and legacies

	Unrestricted £	Restricted £	2024 £
Donations inclusive of reclaimed tax	70,882	5,113	75,995
Legacies	598,250	—	598,250
Total 2024	669,132	5,113	674,245

	Unrestricted £	Restricted £	2023 £
Donations inclusive of reclaimed tax	69,785	3,000	72,785
Legacies	212,621	—	212,621
Total 2023	282,406	3,000	285,406

2 Investment income

	Unrestricted funds	
	2024 £	2023 £
Sarasin – CIF ALPHA fund units	178,598	183,710
COIF – Investment fund income units	161,296	174,259
	319,894	357,969
Interest receivable	5,470	1,446
Total	345,364	359,415

3 Income from charitable activities

Income from charitable activities comprises fees from medical and nursing services and is unrestricted.

4 Other Income

	Unrestricted funds	
	2024 £	2023 £
Other	—	1,828
COVID-19 Sustainability Payment	28,468	—
Digitising social care fund (DSCF)	53,058	13,000
	81,526	14,828

5 Expenditure on raising funds

	Unrestricted funds	
	2024 £	2023 £
Other costs (including staff costs)		
• Direct costs	71,831	96,813
• Support costs	61,962	50,564
	133,793	147,377

6 Expenditure on charitable activities

	Unrestricted £	Restricted £	2024 £
Medical and nursing services			
. Direct costs	5,588,883	—	5,588,883
. Support costs	3,139,101	5,113	3,144,214
	<u>8,727,984</u>	<u>5,113</u>	<u>8,733,097</u>
	Unrestricted £	Restricted £	2023 £
Medical and nursing services			
. Direct costs	5,101,598	—	5,101,598
. Support costs	2,733,847	—	2,733,847
	<u>7,835,445</u>	<u>—</u>	<u>7,835,445</u>

7 Analysis of support costs

	Raising funds £	Charitable activities £	2024 £
Staff costs	23,418	924,526	947,944
Administration	13,906	396,330	410,236
Housekeeping – fuel & rates	3,249	267,527	270,776
Housekeeping – other	13,660	929,441	943,101
Depreciation	1,188	169,538	170,726
Repairs & maintenance	2,262	191,358	193,620
Insurance	1,239	102,027	103,266
Other costs	1,973	75,615	77,588
Governance costs	1,067	87,852	88,919
Total support costs	<u>61,962</u>	<u>3,144,214</u>	<u>3,206,176</u>
	Raising funds £	Charitable activities £	2023 £
Staff costs	22,645	860,212	882,857
Administration	7,482	225,454	232,936
Housekeeping – fuel & rates	2,725	224,361	227,086
Housekeeping – other	13,059	851,381	864,440
Depreciation	881	135,865	136,746
Repairs & maintenance	—	196,495	196,495
Insurance	1,172	96,462	97,634
Other costs	1,563	58,234	59,797
Governance costs	1,037	85,383	86,420
Total support costs	<u>50,564</u>	<u>2,733,847</u>	<u>2,784,411</u>

Included within governance costs is auditor's remuneration of £31,800 (2023 – £28,200) and £48,562 (2023 – £55,620) for professional fees which included strategy development work and trustee recruitment.

8 Staff costs

	2024 £	2023 £
Wages and salaries	4,399,971	3,587,988
Social security costs	444,831	378,402
Pension costs	200,108	204,930
Redundancy costs	33,784	8,609
	5,078,694	4,179,929

The number of employees during the period who earned over £60,000 in the year is as follows:

	2024 Number	2023 Number
£60,001 - £70,000	4	2
£70,001 - £80,000	1	—
£80,001 - £90,000	1	1
£90,001 - £100,000	—	—
£100,001 - £110,000	—	1
£110,001 - £120,000	—	—
£120,001 - £130,000	1	—

The average number of employees analysed by function was:

	FTE* 2024	Head Count 2024	FTE* 2023	Head Count 2023
*Full time Equivalent				
Nursing and care	107	113	84	127
Maintenance	4	4	3	5
Reception and portering	4	6	4	4
Management and administration	10	13	10	13
	125	136	101	149

Catering, cleaning, and laundry are outsourced, but with staff dedicated to British Home. Average numbers of catering and cleaning staff during the year were FTE 13/ Head Count 20 (2023 FTE 11 / Head Count 18).

Remuneration of key management personnel

No trustee received any remuneration in respect of their services during the year. No trustees were reimbursed for travel expenses in the year (2023 – £nil).

During the year, the total remuneration, including pension contributions and employer's national insurance contributions, of key management personnel was £345,560 (2023 – £344,739).

9 Related party transactions

No member of the Board of Trustees nor any officer of the Home had any beneficial interest in any contract with the Home during the year.

9 Related party transactions (continued)

The Home has purchased insurance to protect it from any loss arising from any neglect or defaults of any member of the Board of Trustees or employee and to indemnify any Board Member or employee against the consequence of any neglect or default on their part. The total cover provided by such insurance is £2,000,000 (2023 – £2,000,000) and the insurance premium paid by the Home during the year totalled £1,814 (2023 – £2,555).

Donations from trustees totalled £1,620 (2023 – £120).

10 Taxation

British Home and Hospital for Incurables is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold building £	Hospital equipment £	Computer equipment £	Transport £	Total £
Cost					
At 1 April 2023	3,779,099	217,280	189,810	15,980	4,202,169
Additions	139,217	10,712	49,721	—	199,650
At 31 March 2024	<u>3,918,316</u>	<u>227,992</u>	<u>239,531</u>	<u>15,980</u>	4,401,819
Depreciation					
At 1 April 2023	3,349,605	109,824	96,452	12,784	3,568,665
Charge for the year	99,017	39,434	29,080	3,196	170,727
At 31 March 2024	<u>3,448,622</u>	<u>149,258</u>	<u>125,532</u>	<u>15,980</u>	3,739,392
Net book values					
At 31 March 2024	<u>469,694</u>	<u>78,734</u>	<u>113,999</u>	<u>—</u>	662,427
At 31 March 2023	<u>429,494</u>	<u>107,456</u>	<u>93,358</u>	<u>3,196</u>	633,504

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings.

12 Investments

Investments held at 31 March 2024 comprised the following:

	Investment property £	Listed investments £	2024 £
Market value at 1 April 2023	350,000	10,650,916	11,000,916
Additions at cost	—	20,000	20,000
Disposals at opening book value	—	(1,469,917)	(1,469,917)
Revaluation	(150,000)	—	(150,000)
Net gains	—	780,598	780,598
Market value at 31 March 2024	200,000	9,981,597	10,181,597
Cash held by investment advisors for re-investment	—	549,165	549,165
Total investments	200,000	10,530,762	10,730,762
Historical cost of investments at 31 March 2024	—	8,136,799	8,136,799
	Investment property £	Listed investments £	2023 £
Market value at 1 April 2022	350,000	12,751,371	13,101,371
Disposals at opening book value	—	(1,500,000)	(1,500,000)
Net gains	—	(600,455)	(600,455)
Market value at 31 March 2023	350,000	10,650,916	11,000,916
Cash held by investment advisors for re-investment	—	1,062,789	1,062,789
Total investments	350,000	11,713,705	12,063,705
Historical cost of investments at 31 March 2023	—	8,810,854	8,810,854

The investment property is a share in land held on behalf of five charities. The valuation is at trustees' assessment based on professional advice from Montagu Evans. The land value has fallen since the 2019 valuation by Montagu Evans, based on changes in the investment market and current economic climate.

13 Debtors

	2024 £	2023 £
Fee debtors	676,688	442,872
Prepayments and accrued income	647,007	120,857
	1,323,695	563,729

Prepayments and accrued income at 31 March 2024 include legacies of £443,800 (2023 – £21,044).

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	240,150	126,351
Amounts held on behalf of residents	62,983	56,245
Accruals and deferred income	306,836	568,181
Social security and other taxation	232,868	204,295
Other creditors	347,756	321,401
Liability on withdrawal from pension scheme	1,247,000	778,000
	2,437,593	2,054,473

Note: A corresponding asset for residents' monies is included in cash at bank (see note 21).

Included above is deferred income which relates to income receivable in 2023/24 which can be analysed as follows:

	2024 £	2023 £
Deferred income brought forward	113,944	162,844
Deferred in the year	113,548	113,944
Released in the year	(113,944)	(162,844)
Deferred income carried forward	113,548	113,944

15 Operating lease commitments

At 31 March 2024, the Charity had the following total commitments under operating leases on plant and machinery as follows:

	2024 £	2023 £
Amounts payable:		
Within one year	6,241	4,281
In two to five years	12,481	—
	18,722	4,281

16 Endowment fund

	2024 £	2023 £
The D.O. Beale Trust	12,477	12,477

17 Restricted fund

In the year to 31 March 2024 the charity received £5,113 in restricted funds (2023 – £3,000). These funds were raised and expended on the re-decoration of the hairdresser and beauty salon for the wellbeing of the residents and supported by NatWest Bank.

18 Designated funds

The income funds of the Home include the following designated funds which have been set aside out of unrestricted funds by the Board of Trustees for specific purposes:

	At 1 April 2023 £	Released/ added in year £	New designations £	At 31 March 2024 £
Tangible fixed assets fund	633,504	(170,727)	199,651	662,428
Continuity of Care fund	5,900,000	—	—	5,900,000
Major and Cyclical Maintenance fund	2,000,000	(78,855)	78,855	2,000,000
	<u>8,533,504</u>	<u>(249,582)</u>	<u>278,506</u>	<u>8,562,428</u>

	At 1 April 2022 £	Released/ added in year £	New designations £	At 31 March 2023 £
Tangible fixed assets fund	569,654	(136,746)	200,596	633,504
Continuity of Care fund	5,900,000	—	—	5,900,000
Major and Cyclical Maintenance fund	2,000,000	(18,847)	18,847	2,000,000
	<u>8,469,654</u>	<u>(155,593)</u>	<u>219,443</u>	<u>8,533,504</u>

Tangible fixed asset fund

An amount equivalent to the net book value of tangible fixed assets at the end of the year is designated to recognise that they are not available for general use as they are not readily realisable.

Continuity of care fund

This fund has been established to meet the charity's obligations to provide essential services for all parties in the event of a critical incident. The fund provides for approximately 9 months running costs, in accordance with the reserves policy.

Major and cyclical maintenance fund

This fund has been established as the charity operates from an old Victorian building which is both expensive to maintain and occasionally requires costly unplanned major repairs to the buildings infrastructure. The trustees are developing a ten year plan for updating the property.

19 Analysis of net assets between funds

	Restricted fund £	Endowment fund £	Designated funds £	General fund £	Total 2024 £
Fund balances at 1 March 2024 are represented by:					
Tangible fixed assets	—	—	662,427	—	662,427
Investments	—	12,477	7,900,001	2,818,284	10,730,762
Current assets	3,000	—	—	1,733,548	1,736,548
Creditors: amounts falling due within one year	—	—	—	(2,437,593)	(2,437,593)
Total net assets	<u>3,000</u>	<u>12,477</u>	<u>8,562,428</u>	<u>2,114,239</u>	<u>10,692,144</u>

19 Analysis of net assets between funds (continued)

	<i>Restricted fund £</i>	<i>Endowment fund £</i>	<i>Designated funds £</i>	<i>General fund £</i>	<i>Total 2023 £</i>
<i>Fund balances at 1 March 2023 are represented by:</i>					
<i>Tangible fixed assets</i>	—	—	633,504	—	633,504
<i>Investments</i>	—	12,477	7,900,000	4,151,228	12,063,705
<i>Current assets</i>	3,000	—	—	1,127,932	1,130,932
<i>Creditors: amounts falling due within one year</i>	—	—	—	(2,054,473)	(2,054,473)
<i>Total net assets</i>	<u>3,000</u>	<u>12,477</u>	<u>8,533,504</u>	<u>3,224,687</u>	<u>11,773,668</u>

20 Pension commitments

The Home operated a defined benefit pension scheme providing benefits based on final pensionable pay until 31 March 2014. The defined benefit pension scheme closed to new members and future accrual as at 31 March 2014. The most recent triannual valuation of the scheme was at 1 April 2016.

In February 2018, after seeking advice from their advisors KPMG, the trustees took the decision to buyout of the scheme and a total liability of approximately £1,788,000 crystallised. During 2018, £1,010,000 was paid and the amount outstanding has increased due to changes in market conditions at 31 March 2024 and now estimated to be £1,247,000. The updated estimated liability is based on information provided by the trustees' professional advisors and Aviva, the insurers.

The Federated Flexiplan No.1 ("the Plan") is a defined benefit pension scheme. It is a "last man standing scheme" which means that all participating employers are joint and severally liable for the Plan's liabilities. However, because of the non-associated multi-employer nature of the Plan, the charity does not have sufficient information available (in particular to identify its share of the underlying assets and liabilities of the Plan) to use defined benefit accounting. As such and as permitted by FRS 102, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount recognised in the statement of financial activities represents the charity's contributions payable to the Plan in respect of the accounting period.

Members of the Plan are entitled to benefits on either a "Pensions Capital" or "Target Pension" basis. Under the Pensions Capital basis, contributions paid by and in respect of members are accumulated up to retirement and then used to secure benefits for the member. Under the Target Pension basis, members receive a defined pension at retirement based on length of service in the Plan and their Pensionable Salary at date of leaving. The Plan is closed to new members and to future accrual of benefits.

21 Cash at bank

Cash at bank of £412,853 on 31 March 2024 (2023 – £567,203) includes £62,983 held on behalf of the residents of the Home (2023 – £56,245). A corresponding liability for these monies is included in creditors (note 14).

Accounts

**British
Home and
Hospital for
Incurables**

**Report and Financial Statements
for the year to**

31 March 2023

Charity Registration Number
206222

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Reference and administrative details

Honorary President	Professor, The Lord McColl of Dulwich
Chair	Kay Sonneborn BA
Deputy Chair	David Green MA (Cantab)
Board of Trustees	Patricia Collinson, Dip NUR, RNT (retired January 2023) Kenneth Dunn MA, DipMS Alison Hughes RN, MHSM Rowenna Hughes GradDip MCSP, SRP (retired September 2022) James Mill TD, CA Derek Prentice Rebecca Sycamore Jane Fisher Tom Walker John Handley (appointed 3 November 2022) Andrea Haug (appointed 3 November 2022) Taras Fella (appointed 3 November 2022)
Chief Executive Officer to the Board	Paul Perkin
Director of Care	Douglas Webb – Interim (contract ended November 2022) Victoria Fields – (appointed November 2022)
Director of Finance and Resources	Natasha Charles-Lewis, ACMA
Address	Crown Lane Streatham London SW16 3JB
Website	www.britishhome.org.uk
Charity registration number	206222

Reference and administrative details

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Investment advisors	CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ
	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London, EC4M 8BU
Bankers	Barclays Bank plc Clapham Common Group PO Box 4038 London, SW12 9YB
Legal advisers	Hempsons 40 Villiers Street London, WC2N 6NJ

Report of the Board of Trustees Year to 31 March 2023

The Board of Trustees ('the Board') presents the statutory report and financial statements of British Home and Hospital for Incurables ('British Home') for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out on pages 27 to 30 and comply with British Home's Charter of Incorporation and Regulations, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

A Note from our Chair

Welcome to our Annual Accounts and Report. On reading this you will see that much has happened in 2022/2023 both in activity and continued financial improvement and you will see the future for the British Home's ambitions.

Before continuing it is important from the start to recognise the continued dedication that all staff - clinical, support and management make to the continued life of the residents of the British Home and the Charity. Without their knowledge, dedication, and support in so many ways there would be no British Home, and the Trustees are forever grateful.

2023 has been a successful year in that we have been fully discharged of Covid and all that sits around it. We have been able to give much more attention to the strategic plans that were first initiated in 2019 and then halted over the pandemic. We were able to resurrect some of these plans in the middle of 2022 and we have seen far more activity happening with our 5-year Strategy over the last year.

At the heart of our 5-year strategy has been our ambition to develop even more specialist neuro-rehabilitation services in response to greater demand from people with more complex neurological conditions. Our overarching aspiration is to become a specialist level-2 service, as defined by the British Society of Rehabilitative Medicine. It remains our firm belief that more specialist beds and services are needed for the population of people living with severe neurological conditions.

Towards the end of 2022 we appointed a new Director of Care and Registered Manager who brought with them the expert knowledge in nursing and rehabilitative care that will support our strategy. The new clinical leadership team remain mindful of the support, wellbeing, training and continuous development that our staff require for the journey ahead of us.

The staff at British Home are as diverse in background, culture and thought as our residents and we continue to draw on the strengths and unique characteristics of all at British Home, to ensure our service is accessible and responsive to the needs of everyone we support. In the next year we will implement a new equality and diversity strategy with our staff and residents, to ensure that we continue to maintain an open and inclusive culture for all at British Home.

In our report last year, we discussed our revised governance arrangements and how this is important for our Board to achieve its strategic objectives. As part of the Board's succession plan, we undertook a skills review of the Board earlier in the year. We identified the skills and knowledge gaps that we would need to address to support the charity's strategic aims.

A Note from our Chair (continued)

We began our first search in early autumn 2022 and were delighted with the number of individuals who applied for a Trustee position. In November, we recruited three Trustees who bring with them experience of financial management as well as people and culture within senior, executive roles. In July this year we recruited a further two Trustees with clinical expertise in the field of neuro- science. We expect that our recently appointed Trustees will play a vital role in the British Home's journey towards becoming a sustainable and highly specialist provider of care and therapy for people living with neuro-disability.

We continue to look at the ever-increasing costs the Charity is bearing as a result of admitting residents who are requiring far more clinical and care needs. We are seeing many Commissioners acknowledging the specialist skills and care the British Home is providing and therefore referring individuals with more complex needs than we admitted prior to the pandemic.

This has resulted in a significant increase in our revenue. However, we have also seen an increase in our staffing costs, as the national shortage of qualified nurses and carers has resulted in a higher reliance of agency staff. This presents further challenges in reducing our operational deficit which is a key objective of our strategy. In the last six months we engaged with the government's Skills Bootcamp initiative which aims to provide London residents with the skills and experience required to take up careers in adult social care. We have recruited over 10 staff into British Home, providing continued training and support provided by our Care Trainer. Through this initiative we are able to offer new career opportunities to those who share our values and ambition to improve the lives of our residents. This has the dual benefit of reducing our reliance on costly, temporary staff and will go some way to ensuring that our fee income covers the cost of our specialist care.

With Covid now not dominating our every action, this year has seen a shift in our activity as described above, be it our ambitious Clinical Strategy to offer a Level 2 service; our Financial Strategy to eradicate our deficit position, or our Governance and appointment of new Trustees. The Board remain energised and determined to deliver on all of these key objectives and we are confident that the British Home has a bright future.

I need to acknowledge the retirement of two long standing Trustees - Rowenna Hughes and Patricia Collinson. Rowena retired after many decades at the Home giving much service to the development of our physiotherapy and occupational Services. Always a supporter of these services, Rowenna championed these at Board discussions and visited the service many times. Patricia has also been a Trustee for over 15 years, ensuring the Board remained focussed on clinical governance and imparted much knowledge and support for continuous quality and clinical safety. Their dedication to these areas and a much wider board governance contribution and support is greatly acknowledged and appreciated.

I must also thank Paul Perkin, and his team, who has steered the Charity through the last turbulent years, always doing so with huge knowledge and professionalism and a smile. He has enabled the Charity to survive and come through looking ambitious and even brighter.

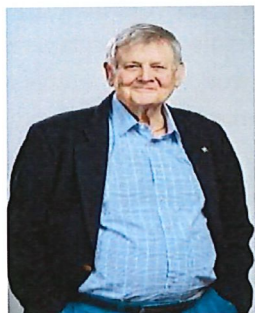
Composition of the Board of Trustees

The Charity Board of Trustees is:



Chair: Kay Sonneborn

Kay was an investment analyst for a US investment bank for many years. She has been involved with the charity and health sector for over 30 years and has held senior non-executive roles in the NHS. Kay was Chair of the largest Primary Care Trust in London for ten years.



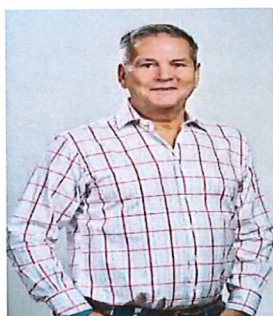
Deputy Chair: David Green

David worked in Merchant banking before a long involvement with the charitable sector in London, firstly as Finance Director of the London Voluntary Service Council and subsequently as Chief Executive for the Cripplegate Foundation and the St Luke's Parochial Trust, allocating millions of pounds in grants to projects in Islington.



Patricia Collinson (retired from the Board January 2023)

Patricia has spent her career in nursing and nurse education with experience of both the NHS and Government work. Her last post before retirement was Nurse Director for the Medical Devices Agency, Department of Health. Since then she has worked as an Expert Nurse Witness and as an Editorial Consultant. She has been a Trustee of the Crossroads Caring for Carers Association.



Kenneth Dunn

Kenneth Dunn joined the Board of Trustees in December 2014. Kenneth has some 30 years of social care experience. He has a broad knowledge of the care industry and government policies and procedures regulating care.

Composition of the Board of Trustees (continued)



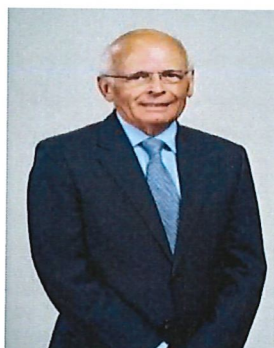
Alison Hughes

A nurse and midwife with 36 years' experience, Alison trained at University College Hospital before moving to Oxford and then Australia to practice. She spent four years overseas before joining the cardiac unit at St George's Hospital Tooting, moving from Sister to Head of Nursing and finally Divisional Director of Nursing and Governance. Alison retired from the NHS in 2015 and currently works part time on a consultancy basis.



James Mill

James worked in oil and gas exploration for much of his career, operating in Libya, Pakistan and Canada amongst other places. For the last ten years of his working life he was Finance Director of the Royal Star & Garter Home, a 180-bed nursing home and military charity in Richmond, and consequently has extensive experience of the challenges facing charities like British Home.



Derek Prentice

Derek spent the majority of his career in consumer affairs, spending over twenty years with Consumers' Association (Which?) and serving as the President of the European Consumers Organisation BEUC. Derek is a Council Member and Trustee of the Royal College of Emergency Medicine and Chairs its Lay Group. Derek has been the Vice Chair of the Lay Group of the Academy of Royal Medical Colleges, the Chair and Lay Member of the General Dental Council and a Trustee of King's College Hospital.



Rebecca Sycamore

Rebecca has considerable experience of Director level posts within large charities. She is currently Executive Director of Development at the homelessness charity and Housing Association, St Mungo's where she has responsibility for fundraising, communications and marketing, business development and strategic asset management. She has also been a specialist social worker, helping homeless people experiencing mental health problems for the London Borough of Ealing, as well as holding positions with Crisis and Homeless Link.

Composition of the Board of Trustees (continued)



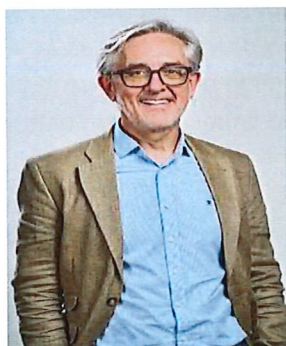
Jane Fisher

Jane has worked in the NHS for over thirty years, starting as a nurse with a special interest in trauma. After twenty years on the front line, she moved into NHS management and now manages the Northwest London Renal and Transplant Service (the largest such unit in Europe). Jane is passionate about healthcare and has a strong commitment to delivering equality and diversity.



Tom Walker

Tom is currently Co-Head of Global Listed Real Assets for Schroders where he is responsible for a large real asset investment portfolio and has significant experience in investment management.



John Handley

At its meeting in November 2022 Trustees agreed to appoint John Handley to the Board of British Home. John is an internationally experienced executive who has worked extensively with business leaders across small and large businesses, fully owned and joint venture partnerships, listed and not for profit sectors, in services and manufacturing industries and in emerging and mature markets including Saudi Arabia, India, Australia, the United States and the UK. An accredited WABC Executive Coach, John focuses on building very high levels of trust, before honing in on actions colleagues can take to achieve significant performance improvement at a personal and organisational level. John is currently the Executive Director of People at HC-One Limited, having joined in 2021.



Andrea Haug

At its meeting in November 2022 Trustees agreed to appoint Andrea Haug to the Board of British Home. Andrea has successfully led HR in a number of sectors including retail, media and entertainment, hotels and hospitality, infrastructure, and financial services in both the UK and internationally. She has broad experience at both strategic and operational levels across all areas of HR. Her deeper specialisms include leadership, culture, employee engagement, and organisational change. Andrea's passions are supporting leaders through periods of growth, uncertainty, and change, and building workplaces that are welcoming and inclusive, where everyone feels they belong and are able to contribute, achieve and progress.

Composition of the Board of Trustees (continued)



Taras Fellah

At its meeting in November 2022 Trustees agreed to appoint Taras Fellah to the Board of British Home. Taras spent 7 years within the internal audit function of IQVIA, a US listed multi-national healthcare company before taking up his current role of Senior Director of Financial systems.

Patricia Collinson retired from her role as Trustee in January 2023. The Board and Executive Team would like to thank Patricia for her significant contribution to the British Home over her twenty-three years of service. Patricia provided great guidance and insight into all clinical matters concerning British Home, specifically in relation to quality assurance and resident care.

Board Responsibilities Statement

The charity's trustees are responsible for preparing the report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice. Charity law requires the Board, as trustees, to prepare financial statements which give a true and fair view of the financial activities of British Home during the year and its financial position at the end of the year. In preparing the attached financial statements, the Board is required to:

- ◆ select suitable accounting policies and then apply them consistently.
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent.
- ◆ state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that British Home will continue to operate.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of British Home and which enable it to ensure that the financial statements comply with the Charities Act 2011. The Board is also responsible for stewarding the assets of British Home and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board Responsibilities Statement (continued)

The Board is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure, governance, and management

British Home was granted a Royal Charter on 1 November 1899. It is governed by a Charter of Incorporation and Regulations (revised 8 January 2009) and is a registered Charity (No. 206222). Responsibility for British Home rests with the Board who are the trustees of the charity for the purposes of charity legislation.

British Home is regulated by the Charity Commission, by the Care Quality Commission (CQC) and, as a Royal Charter Company, by the Privy Council.

The Board met formally in each quarter of the last financial year, and also held its annual away day to review the charity's strategic plan. At 31 March 2023 the Board comprised 9 members who held office throughout the year, with a further three new members appointed in November 2022. As previously noted, Patricia Collinson and Rowenna Hughes retired from the Board during the year.

Trustees did not receive any remuneration for services as a member of the Board.

Board Committee Structure

The Board periodically reviews its governance committee structure, to ensure that it remains fit for purpose and responsive to emerging, strategic opportunities and risks. At its meeting on the 13 of May 2020 the Board completed a formal review of its governance structure including the terms of reference for each of its sub-committees and their alignment with those objectives included in the charity's 5-year strategy.

Care Governance Committee

The Care Governance Committee provides assurance to the Board by having Trustees with relevant clinical experience to review the provision of care and therapy in the Home, and to offer support and counsel to the Director of Care in this regard. The Care Governance Committee maintains oversight of British Home's clinical practice and care provision including quality assurance, service improvement, safe practice, and regulatory compliance.

Finance Committee

The Finance Committee has delegated responsibility from the Board to oversee and review all financial aspects of the Charity's operations including the Charity's investment strategy and appointment of its Investment Managers. The Finance Committee also has responsibility for British Home's human resources, building and maintenance services, as well as the development of the Charity's IT and digital strategy. The Finance Committee continues to set annual targets to reduce the current deficit and achieve an annual operational surplus.

Since the pandemic, the recruitment of care staff within a challenging market has emerged as the Charity's key strategic risk. The Finance Committee continues to review staff salaries and benefits to ensure that these remain competitive and to advise the Remuneration and Nominations Committee in this regard.

Structure, governance, and management (continued)

Redevelopment Oversight Committee

In November 2020 the Board agreed the terms of reference for a new Redevelopment Oversight Committee, to review the options for the refurbishment, or reprovision of the British Home. A feasibility study was commissioned in late 2021 to explore the options for monetising part of the existing site to meet development costs. The initial findings of the study determined that current market conditions are as such, that the full costs of any refurbishment would not be met by part-sale of the existing site. In view of this, the Committee continue to explore further options to develop a new, state-of-the-art facility for British Home's residents. This will include a significant capital fundraising programme as well as further consideration to a new development on an alternative site if this proves more viable.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee has oversight of the balance and effectiveness of the Board, including the appointment of new Trustees. The Remuneration and Nominations Committee is also responsible for the remuneration of the executive management team of the Charity, as well as the annual review of staff salaries and benefits.

Trustee recruitment, induction, and training

The Board annually reviews the mix of skills and experience of its members and seeks new Trustees where specific skill gaps are identified. New Trustees are offered an individually tailored induction programme to familiarise themselves with all aspects of the charity's work, legal and statutory responsibilities, including all relevant regulatory requirements determined by the Charity Commission.

In November 2022, the Board appointed three new Trustees in line with its succession plan.

The Board is regularly updated on all key operational and clinical developments within the Home and each Trustee participates in the monthly Board visitor programme where they can hear first-hand from residents, staff, and families about the quality of service being provided.

Management of British Home

The key management personnel of British Home responsible for directing and controlling the operations of the charity comprises the Board of trustees, the Chief Executive Officer, the Director of Care and the Director of Finance and Resources.

Paul Perkin (BA Hons) is the Chief Executive Officer of British Home. Paul took up this post in April 2017. Paul has over twenty years' experience within the social care and housing sector. Paul holds a BA Hons degree in Urban Policy from Lancaster University and has a long track record of campaigning and advocating on the behalf of society's most vulnerable people. Paul is also Chair of the Board of Evolve Housing and Support a London based homelessness charity and registered social landlord.

Natasha Charles-Lewis ACMA (MSc) is the Director of Finance and Resources at British Home. Natasha took up this role in September 2019. Natasha has over sixteen years' finance experience within the healthcare and charitable sector. Natasha is an associate member of the Chartered Institute of Management Accountants and holds a further degree in strategic business management.

Structure, governance, and management (continued)

Management of British Home (continued)

Victoria Fields (MSc) is the Director of Care at British Home. Qualifying as a Midwife in 2013, Victoria developed an interest in brain injury, mental health, and complex families. She went on to complete her postgraduate diploma to become a Specialist Community Public Health Nurse. Later in her career Victoria worked in brain injury and autism technology before focusing more on Operations and leadership in the brain injury and neuro-disability sector.

Aims Objectives and Strategy

British Home provides specialist nursing and rehabilitation to adults living with neuro disability. This will typically include people living with severe impairment often resulting from brain injury, stroke or through a degenerative illness. We work with each of our residents to tailor a holistic and bespoke package of care and rehabilitation, enabling them to live as full and independent lives as possible. British Home also provides end of life care, ensuring that dignity, comfort, and choice remain at the heart of all that we do.

British Home is registered to look after a maximum of 127 residents; however, due to the increasing complexities of residents over the last several years, the number of commissioned units has been reduced to achieve a more optimum operational capacity of 80 beds. This includes beds for both fast-stream and longer-term rehabilitation, as well as palliative care and respite.

During the pandemic, the average occupancy within the service reduced significantly due to higher mortality rates amongst residents and delayed discharge from referring agencies. Since the end of the pandemic, we have continued to receive referrals for residents with increasingly more complex needs. This has resulted in more time needed to plan for admissions which has impacted on bed occupancy. Average occupancy over the last year on this basis was 85% or 68 residents (2022 – 88% or 70 residents).

In February 2023, the Board reviewed its 5-year strategy, with a central aim to build upon its experience and become a specialist provider of neuro-disability rehabilitation. Over the next three years, the Board will continue to invest charitable income to develop British Home into a centre of excellence for specialist rehabilitation, in line with The British Society of Rehabilitation Medicine (BSRM) standards. The Board remains committed to its objective of developing Specialist Level -2b rehabilitation beds within British Home. In addition to this, we will continue to support more people to manage their conditions more effectively, with an emphasis on increased independence, pain relief and greater enjoyment of life (including those approaching end of life).

Public benefit

In setting the charity's objectives the trustees have considered the Charity Commission's guidance on public benefit. The Board believes that British Home continues to meet the Charity Commission's public benefit test principally in that the majority of residents in British Home have for many years benefited from the availability of statutory funding. The charity provides additional rehabilitation and social support to residents from its own charitable funds and through specific fundraising initiatives.

Aims Objectives and Strategy (continued)

Our Values

All at British Home are committed to upholding our organisational values which have been developed in collaboration with our residents, staff and other stakeholders and partners.

These values inform every aspect of our work, including the care we provide to residents and the way we support our staff to carry out their important roles.

Our Values determine that we:

- ◆ put the individual at the heart of their care;
- ◆ understand that every individual will have their own targets and motivations, and that rehabilitation is a process that people take at their own pace;
- ◆ recognise the advantages that our diversity provides, we will harness the talent and energy of everyone at British Home: staff, volunteers, residents, families and carers;
- ◆ will always act with integrity, openness and honesty; and
- ◆ are committed to the highest standards and will embrace innovation and models of best practice.

Personalised Support

At British Home, we recognise that each resident is an individual and that they and their families will often provide the greatest insight into how our staff can best meet their care needs. Residents at British Home are continually assessed by a multi-disciplinary team comprising of clinical staff and therapist to ensure they receive an appropriate service offer commensurate with their individual needs. We work with residents and their families to develop personalised care plans, ensuring that they direct and control the care we provide. Over the next year we will continue to train and develop all our nursing and care staff in rehabilitation support, which will ensure greater integration of each resident's individual therapy and treatment plans across all aspects of their daily care. We continue to work with residents receiving palliative care to develop personal end of life care plans. Last year 100% of residents had an agreed end of life plan in line with their personal wishes.

End of Life Care Gold Standard Framework

In January 2020, British Home underwent re-accreditation with the Gold Standard Framework for its End of Life Care. Trustees were delighted that the Charity was awarded the Platinum Care Hallmark in recognition of its high quality and person centred, End of Life support. British Home's End of Life Care is delivered through a multi-disciplinary team that brings together nurses, therapists and other professionals involved in a resident's care under the direction of our Director of Care and Registered Manager. All residents, for whom it is appropriate, are supported to develop an End of Life Care Plan, to direct the support and care they receive from British Home. British Home is currently undergoing re-accreditation for the Gold Standard Framework as of June 2023.

Aims Objectives and Strategy (continued)

Risk management

The Board regularly reviews the potential major risks to the charity and undertakes a formal risk audit each year to identify any additional risks that the charity may be exposed to and to ensure that adequate control measures are in place to mitigate identified risks. To protect the assets of the charity, British Home maintains a comprehensive suite of insurance policies.

The Board considers the 'failure to reduce its operational deficit', as its key strategic and operational risk, given that this would have a detrimental impact on the future sustainability of the Charity and the well-being of its residents. The Charity's 5-year strategy has guided British Home's transition from a traditional nursing care model to that of a specialist provider of neuro-disability nursing care and rehabilitative support. This will ensure that care fees are more commensurate with residents' support needs and that the Charity is not required to subsidise the costs for those residents who no longer require the level of specialist nursing and support provided within the Home.

In recent years the health and social care sector has experienced significant challenges around recruitment and retention of experienced care staff. British Home is not immune to this, and over the last year the recruitment of skilled staff into British Home has emerged as a key risk for the charity. The Executive Team has introduced a range of measures to attract talented staff and to reduce its dependency on temporary workers, with some success. However, this has not been without significant cost as the Charity has sought to increase salaries and benefits to attract skilled workers within a competitive market. Over the next year, the Executive Team will engage with local Integrated Care Partnerships to ensure that care fees reflect the demands of local labour markets, and that British Home remains able to attract and retain highly skilled and experienced staff.

Volunteers & Carers

Volunteers at British Home make a positive difference to the lives of residents at British Home through their involvement in a wide range of activities including rehabilitation support, recreational activities, befriending and fundraising. The Board remain grateful for the significant contribution that all of our volunteers make to the charity and its residents.

British Home also places significant value in the views and contributions of its community of resident's families and carers. The Charity offers a variety of ways for families and carers to have their say on how care and support is delivered at British Home, recognising their role as advocates and experts in how their loved ones are cared for. Over the last year, families and carer's views were heard through online quarterly families and carer's meetings as well as through our annual family and carer surveys.

Fundraising

The shortfall in our operating income, as noted earlier, is made up in part from generous donations and legacies bequeathed to the Home. British Home is reliant on voluntary contributions to provide resources and develop innovation to improve the lives of everyone we support. The Board are grateful for all charitable contributions from our generous donors and would like to pay particular thanks to the following Trusts and individuals for their continued support:

Aims Objectives and Strategy (continued)

Fundraising (continued)

Eunice Helen Johnson Trust
J H Bartlett Charity
Baroness D M Camburn Trust
Metropolitan Hospital Saturday Fund
Bothwell Charitable Trust
Gilbert & Eileen Edgar Foundation
I V Askew Charitable Trust

The Board would also like to thank all who have donated to British Home in memory of loved ones and to the many people have supported us with a legacy in their Will.

As a charity registered with the Fundraising Regulator, we are committed to ensuring our fundraising is legal, open, honest, and respectful. British Home did not actively pursue donations from individuals and the general public and did not use the services of a professional fundraiser. No complaints were received in relation to how the charity conducted its fundraising activity.

Environmental, Social and Governance

Since its inception British Home has provided care and support to some of the most vulnerable people within its community. We remain proud of the public benefit we continue to provide to severely disabled people, and we also recognise the wider role we can and should play towards reducing our environmental impact, increasing diversity and inclusion, and ensuring strong and ethical governance practices.

The charity continues to ensure that its investments are managed in compliance with ESG criteria, through dedicated funds in line with Charity Commission Guidance. Over the next two years we will continue to build upon this commitment to ESG practices in a variety of ways; from how we manage our carbon footprint, including procuring services and influencing our suppliers' environmental practices; to how we ensure the welfare of our staff and increase opportunity and diversity across our workforce.

Recruiting and developing local people

In light of the current skills shortages affecting the health and social care sector, British Home partnered with The Green Man Skills Zone, a local community project supporting unemployed people to improve their skills, by raising awareness of the services that are available in the borough to support them. This initiative is designed in conjunction with the government Skills Bootcamp initiative which aims to provide prospective workers with up to 5 weeks of training to improve their employability within their chosen field. British Home is a very proud of its history as a local employer and through its partnership with the Green Man the charity has employed 10 local people into care roles. Each of these staff were supported by British Home's Care Trainer, who provided ongoing support and mentorship throughout their induction, ensuring that they built up the required confidence and experience to practice their roles safely and competently.

Financial review

Performance in the year

The operating deficit for the period was £2,500,523 (2022 – £1,977,961) as shown in the table below:

	2023 £	2022 £
Fees	5,482,299	4,833,020
Less: Expenditure	(7,982,822)	(6,810,981)
Operating deficit	(2,500,523)	(1,977,961)
Donations	72,785	159,224
Investment income	359,415	362,118
Other Income	14,828	303,638
Deficit before legacies	(2,053,495)	(1,152,981)
Legacies	212,621	130,669
Net expenditure for the period before investment gains and losses	(1,840,874)	(1,022,312)

a) *Fees*

Income from fees charged increased by 13% to £5,482,299 (2022 – £4,833,020). The decrease in average occupancy as a result of impact of the pandemic was augmented by higher fees generated in respect of new admissions with continued focus on attracting specialist needs residents with neurological conditions and a greater emphasis on the charity's therapy provision. As in recent years, a very low level of fee increase was awarded for longer term residents and only by a small number of funders putting continued pressure on the charity's resources.

b) *Expenditure*

Expenditure in 2023 increased by 17% to £7,982,822 (2022 – £6,810,981).

Within this total, staffing costs amounted to £4,179,929 (2022 – £3,771,193) an increase of £408,736. British Home staff are the heart of our organisation, whenever possible the Board endeavours to provide a real increase in pay and ensures that staff are paid in line with industry standards.

c) *Fundraising and publicity*

Costs, with allocated support costs, totalled £147,377 (2022 – £190,514). This included costs for the external marketing of British Home to continue raising awareness of British Home and its work, to support its fundraising endeavours.

d) *Donations*

Donations decreased within the last year to £72,785 (2022 – £159,224). In the current year we received large donations from Eunice Helen Johnson Trust and J H Bartlett Charity Trust. The charity also raised £3,000 restricted donations for the replacement of the Charity's minibuses. We are thankful for the great support of individual donors and charitable trusts, a number of whom have been loyal supporters of British Home for many years. The Board equally values every contribution regardless of size and is particularly grateful for the dedication of local groups and individuals in helping to fundraise.

Financial review (continued)

Performance in the year (continued)

e) Income

Income from legacies increased over the prior year to £212,621 (2022 – £130,669). In line with the legacy income recognition policy, whereby a future legacy receipt is recognised as income provided probate has been granted and eventual receipt is probable, £21,044 (2022 – £109,000) has been recognised as income ahead of receipt in cash. Historically the legacy income of British Home has fluctuated and is unpredictable from year to year.

Pension Liabilities

The charity previously operated a final salary pension scheme which closed to new members as of 31 March 2014.

The Board engaged KPMG to advise it as to whether measures could be taken to potentially mitigate the liabilities of the scheme and whether securing member' benefits under the scheme through an insurance company buy-out might be an affordable option for British Home. The Board considered that removing at an affordable cost the risk to its reserves represented by an open-ended obligation to fund any future deficits in the scheme would be in the best interests of the charity.

In February 2018 the trustees decided to withdraw from the scheme and a total liability of approximately £1,788,000 crystallised. This quotation also included costs for legal and actuarial fees associated with the buy-out, as well as provision for any unforeseen costs arising from a final data cleansing exercise of the scheme, which will be jointly conducted by Aviva and the scheme's actuary.

The trustees paid over the sum of £1,010,000 on 3 March 2018. There remains a provision in the accounts at the reporting date of £778,000. The data cleansing exercise was still in progress at the reporting date and the provision remains unchanged.

The Board are pleased to have secured a buy-out of the closed defined benefit scheme with an established and reputable insurer such as Aviva. This will ensure greater security in the longer-term for the members of this pension scheme, while removing a significant liability from the charity's balance sheet.

The replacement to the now closed final salary scheme is a defined contribution Group Personal Pension Plan provided through Royal London. Under this arrangement British Home contributes 10% of pensionable salary while employees contribute 5%. Employees who have not elected to join the GPPP are, if eligible, subject to auto-enrolment at contribution rates set as part of the Government's pension membership initiative.

Financial review (continued)

The Home's Net Assets

The net assets of British Home at 31 March 2023 were £11,773,668 (2022 – £14,214,997). Of these £633,504 (2022 – £569,654) related to fixed assets which were comprised mostly of freehold buildings, which are wholly used for charitable purposes and are represented by a specific designated fund. Fixed asset purchases and disposals during the year are shown in the notes to the financial statements. The net assets also included £12,477 of endowment funds not expendable by the charity. After allowing for further designated funds as described below the general unrestricted funds of the charity at 31 March 2023 were £3,224,687.

Reserves policy and financial position

In determining the level of reserves necessary to continue the work of British Home, the Board balances its long-term obligations and risks with the needs of current beneficiaries. Where there is a capital commitment, a need to generate income for a specific purpose, or a need to ring-fence funds for the future stability of the charity, the Board has established designated funds. COVID- 19 had a significant impact on the charity's reserves and highlighted the need to retain an appropriate level of free reserves in order to respond to unforeseen events and to protect the wellbeing of the charity's beneficiaries.

Designated reserves

At the end of the financial year 2022/23 the British Home held £12,063,705 in investments which were otherwise unrestricted reserves. These funds were split between general reserves £3,224,687 and £8,533,504 designated funds for fixed assets, continuity of care and major and cyclical maintenance. The Board is awaiting costings for the planned redevelopment project which would require a further designation along with capital fundraising to fund the project. The Board has currently made the following designations.

Continuity of Care Fund: The Board of Trustees is conscious of its long-term obligation to the residents in its care, their sponsors and their carers and to balance the needs of current residents with those of the future. The Board believes that the equivalent of 12 months anticipated costs is required to meet its obligations to provide essential services for all parties in the event of a critical incident. The Board has therefore designated £5.9M of its reserves to this fund, to provide for one year's running costs.

Major and Cyclical Maintenance Fund: The British Home operates from an old, Victorian building which is both expensive to maintain and will also occasionally require costly unplanned repairs. Trustees have therefore created a fund to meet the costs of major and cyclical maintenance when the need arises. The Board has designated £2M of its reserves to this fund, in the event that major repairs are required to the building's infrastructure.

Investment policy and performance

The investment objective of the Board is to maintain the real value of the fund over time whilst generating a stable and sustainable return on investments in the form of dividend payments to supplement the charity's income. The Finance Committee has responsibility for agreeing strategy and monitoring the investment assets. The committee meets quarterly and reviews the portfolio's performance.

Financial review (continued)

Investment policy and performance (continued)

The market value of the portfolio at 31 March 2023 was £11,713,705 (2022 – £13,801,164 and 2021 – £14,491,862). This is a book valuation and may differ significantly from the price achieved when the funds are sold. The value of the portfolio fell during the year because of withdrawals to cover cash shortfalls arising from the deficit. The amounts drawn down on 31 March 2023 were £1,500,000 (2022 – £500,000 and 2021 – £2,500,000). The underlying investment performance showed net unrealised investment losses of £600,455 for the year, (2022 – £651,943 gains and 2021 – £2,496,626 losses) reflecting the change in market value of investments since 31 March 2022. The income produced from these investments amounted to £359,415 (2022 – £362,042 and 2021 – £419,585).

Whilst the charity's funds are of a sufficient size to have a segregated portfolio, the Trustees decided, after a review some years ago, to invest in pooled and common investment funds for charities. The saving in costs is considerable but it means that the charity loses its power to directly influence and control the underlying investments made or the detail of the Environmental, Social and Governance (ESG) policies to be followed.

The two funds in the portfolio are the COIF Charity Investment and Fixed Income Funds, managed by CCLA, and the Sarasin Consolidated Alpha Fund for Endowments, managed by Sarasin & Partners. Both these managers are mindful of the ethical concerns of their charity clients and pursue active ESG research. This research informs not just asset allocation, assessment of risk and stock selection but also how they vote the shares they buy. Both managers talk to the management of those companies to raise concerns. Both managers publish detailed ESG policies and descriptions of how they assess risk. Both managers also present annually to the Finance Committee illustrating the analysis of the financial return, risk, asset allocation, the funds' performance against agreed market benchmarks, and the investment objectives.

Future plans

In February of 2023, the Board of British Home revised the charity's 5-year strategic plan. Our new strategy 2023-2026, has been developed to focus on what we do well today and make it even better. We will provide high quality specialist neuro rehabilitation to a local and wider population. As the complexity of resident care increases, we will expand our offer to new cohorts of residents including specialist Level- 2 provision which provides a much greater therapeutic input to residents who will benefit from this higher level of intervention. These new services will complement our existing provision of longer-term rehabilitation and palliative care and we will continue to invest in these areas as we progress our strategy.

As part of this strategy, we will continue to work towards a long-term solution for redeveloping our building to provide a state-of-the-art care facility . This will include new infrastructure and in-house facilities that will enable us to incorporate the latest technologies to support people with their rehabilitation. Furthermore, we will consult with our residents and staff to create a more modern and therapeutic environment for all who live and work at British Home.

Report of the Board of Trustees Year to 31 March 2023

Auditor

Buzzacott LLP, the Home's auditors have indicated their willingness to remain in office for a further year.

Thanks, and acknowledgements.

The Board continues to be highly appreciative of the support for the Home shown by commissioners of social care. British Home as an independent charity well understands the cost pressures associated with the provision of social care and hopes that the Board and Commissioners can work together to ensure the ongoing provision of first class, affordable care at Crown Lane long into the future.

The success of British Home as a charity is down to the combined efforts of many individuals and organisations. However, one group clearly stand out as being the bedrock on which the charity stands, and that group is its dedicated and caring staff. The Board would like to say 'thank you' to every member of our staff who 'day in, day out' do a wonderful job in supporting, caring and enriching the lives of the residents of British Home.

Approved by the Board of Trustees and
signed on its behalf by:

Trustee

Approved on:

Kay Sonneborn

13th September 2023

Independent auditor's report to the members of British Home and Hospital for Incurables

Opinion

We have audited the financial statements of British Home and Hospital for Incurables (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its income and expenditure for the year then ended.
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

How the audit was considered capable of detecting irregularities including fraud

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); Care Standards; Health and Safety Regulations; The Code of Fundraising Practice; Safeguarding Regulations; and Data Protection; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

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

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Assessed controls over funds held for residents;

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of the Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 18 October 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities Year to 31 March 2023

	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
Income from:						
Donations and legacies	1	282,406	3,000	—	285,406	289,893
Investment income	2	359,415	—	—	359,415	362,118
Charitable activities	3	5,482,299	—	—	5,482,299	4,833,020
Other income	4	14,828	—	—	14,828	303,638
Total income		6,138,948	3,000	—	6,141,948	5,788,669
Expenditure on:						
Raising funds	5	147,377	—	—	147,377	190,514
Charitable activities	6	7,835,445	—	—	7,835,445	6,620,467
Total expenditure		7,982,822	—	—	7,982,822	6,810,981
Net (expenditure) income for the year before investment (losses) gains		(1,843,874)	3,000	—	(1,840,874)	(1,022,312)
(Losses) gains on investments	12	(600,455)	—	—	(600,455)	651,943
Net (expenditure) income and net movement in funds		(2,444,329)	3,000	—	(2,441,329)	(370,369)
Fund balances brought forward at 1 April 2022		14,202,520	—	12,477	14,214,997	14,585,366
Fund balances carried forward at 31 March 2023		11,758,191	3,000	12,477	11,773,668	14,214,997

All of the Home's activities are derived from continuing operations during the above and prior financial period.

Balance sheet 31 March 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	11		633,504		569,654
Investments	12		12,063,705		14,151,164
			<u>12,697,209</u>		<u>14,720,818</u>
Current assets					
Debtors	13	563,729		571,041	
Cash at bank	21	567,203		856,640	
		<u>1,130,932</u>		<u>1,427,681</u>	
Creditors: amounts falling due within one year	14	(2,054,473)		(1,933,502)	
Net current (liabilities)			<u>(923,541)</u>		<u>(505,821)</u>
Net assets			<u>11,773,668</u>		<u>14,214,997</u>
The funds of the charity:					
Endowment fund	16		12,477		12,477
Restricted funds	17		3,000		—
Unrestricted funds					
. Designated funds	18		8,533,504		8,469,654
. General fund			<u>3,224,687</u>		<u>5,732,866</u>
			<u>11,773,668</u>		<u>14,214,997</u>

Approved by the Board of Trustees on 13/9/23 and signed on its behalf by:

Trustee

Kay Sonneborn

David Green

Statement of cash flows 31 March 2023

	Notes	2023 £	2022 £
Cash outflow from operating activities:			
Net cash used in operating activities	A	(1,935,261)	(1,150,695)
Cash inflow from investing activities			
Dividends and interest from investments		359,415	362,118
Sale of investments		1,500,000	500,000
Purchase of fixed assets		(200,595)	(369,844)
Net cash provided by investing activities		1,658,820	492,274
Change in cash and cash equivalents in the year		(276,441)	(658,421)
Cash and cash equivalents at 1 April 2022	B	1,906,433	2,564,854
Cash and cash equivalents at 31 March 2023	B	1,629,992	1,906,433

Notes to the cash flow statement for the year to 31 March 2023.

A Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	(2,441,329)	(370,369)
Adjustments for:		
Depreciation charge	136,745	138,809
Losses (gains) on investments	600,455	(651,943)
Dividends and interest from investments	(359,415)	(362,118)
Decrease in debtors	7,312	9,145
Increase in creditors	120,971	85,781
Net cash used in operating activities	(1,935,261)	(1,150,695)

B Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	567,203	856,640
Cash held by investment managers	1,062,789	1,049,793
Total cash and cash equivalents	1,629,992	1,906,433

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies Year to 31 March 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2023 with comparative information provided in respect to the year ended 31 March 2022.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ valuation of the investment land;
- ◆ legacy recognition; and
- ◆ estimating future inflows and outflows for the purpose of assessing going concern

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. At 31 March 2023 the charity had net current liabilities of £923,541 (2022 – £505,821). The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due by drawing down on the investment funds when required. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2024, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy section of the trustees' report for more information).

Income

Income is recognised in the year in which the Home is entitled to receipt thereof, the amount can be measured reliably, and it is probable that the funds will be received.

Legacies are included in the statement of financial activities when the Home is advised by the personal representative of an estate that payment will be made, or property transferred, and the amount involved can be quantified.

Donations are recognised when the charity has confirmation of both the amount and settlement date.

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

Fees from medical and nursing services are recognised when the service has been provided.

Expenditure and the basis of apportioning costs

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, 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 includes attributable VAT which cannot be recovered.

The majority of costs are directly attributable to specific activities. Support costs are allocated to expenditure on raising funds and charitable activities according to underlying activity levels. These were established using a number of suitable indicators including staff time and floor space.

Expenditure comprises the following:

- a. Expenditure on raising funds includes the salaries, direct costs and support costs associated with generating donated income and the fees paid to investment managers in connection with the management of the Home's listed investments.

Principal accounting policies Year to 31 March 2023

Expenditure and the basis of apportioning costs (continued)

- b. Expenditure on charitable activities comprises expenditure on the Home's charitable purposes as described in the report of the Board of Trustees and includes support costs.

Tangible fixed assets

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings. The buildings were insured on a replacement basis for £42m at 31 March 2023 (at 31 March 2022 – £37m).

All assets costing more than £5,000 are capitalised. Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

♦ Freehold buildings	4% on cost
♦ Water Tank	10% on cost
♦ Hospital and catering equipment	20% on cost
♦ Office furniture and equipment	20% on cost
♦ Computer equipment	20% on cost
♦ Transport	20% on cost

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Land held for investment is included in these accounts at fair value based on open market value. The land was last valued formally in January 2019 by Montagu Evans.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are credited (or debited) in the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Principal accounting policies Year to 31 March 2023

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Endowment Funds comprise monies donated which are not to be expended. Only the income can be used for the charitable objectives of the Home.

Restricted Funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Designated Funds comprise monies set aside out of unrestricted general funds and designated for specific purposes, although the Board of Trustees may ultimately use such funds for other purposes.

The General Fund comprises those monies which are freely available for application towards meeting the charitable objectives of the Home at the discretion of the Board of Trustees.

Pension costs

From 1 April 2014, British Home is operating a defined contribution scheme. Contributions are recognised in the statement of financial activities when payable.

1 Donations and legacies

	Unrestricted £	Restricted £	2023 £
Donations inclusive of reclaimed tax	69,785	3,000	72,785
Legacies	212,621	—	212,621
Total 2023	282,406	3,000	285,406

	Unrestricted £	Restricted £	2022 £
Donations inclusive of reclaimed tax	159,224	—	159,224
Legacies	130,669	—	130,669
Total 2022	289,893	—	289,893

2 Investment income

	Unrestricted funds	
	2023 £	2022 £
Sarasin – CIF ALPHA fund units	183,710	184,147
COIF – Investment fund income units	174,259	177,895
	357,969	362,042
Interest receivable	1,446	76
Total 2023	359,415	362,118

3 Income from charitable activities

Income from charitable activities comprises fees from medical and nursing services and is unrestricted.

4 Other Income

	Unrestricted funds	
	2023 £	2022 £
Other	1,828	—
COVID-19 Sustainability Payment	—	303,638
Digitising social care fund (DSCF)	13,000	—
	14,828	303,638

5 Expenditure on raising funds

	Unrestricted funds	
	2023 £	2022 £
Other costs (including staff costs)		
. Direct costs	96,813	145,477
. Support costs	50,564	45,037
	147,377	190,514

6 Expenditure on charitable activities

	Unrestricted £	Restricted £	2023 £
Medical and nursing services			
. Direct costs	5,101,598	—	5,101,598
. Support costs	2,733,847	—	2,733,847
	<u>7,835,445</u>	<u>—</u>	<u>7,835,445</u>
	Unrestricted £	Restricted £	2022 £
Medical and nursing services			
. Direct costs	4,146,226	—	4,146,226
. Support costs	2,474,241	—	2,474,241
	<u>6,620,467</u>	<u>—</u>	<u>6,620,467</u>

7 Analysis of support costs

	Raising funds £	Charitable activities £	2023 £
Staff costs	22,645	860,212	882,857
Administration	7,482	225,454	232,936
Housekeeping – fuel & rates	2,725	224,361	227,086
Housekeeping – other	13,059	851,381	864,440
Depreciation	881	135,865	136,746
Repairs & maintenance	—	196,495	196,495
Insurance	1,172	96,462	97,634
Other costs	1,563	58,234	59,797
Governance costs	1,037	85,383	86,420
Total support costs	<u>50,564</u>	<u>2,733,847</u>	<u>2,784,411</u>
	Raising funds £	Charitable activities £	2022 £
Staff costs	20,252	772,639	792,891
Administration	7,661	226,017	233,678
Housekeeping – fuel & rates	2,285	188,117	190,402
Housekeeping – other	10,234	770,268	780,502
Depreciation	968	137,840	138,808
Repairs & maintenance	—	138,904	138,904
Insurance	1,092	89,910	91,002
Other costs	1,475	62,456	63,931
Governance costs	1,070	88,090	89,160
Total support costs	<u>45,037</u>	<u>2,474,241</u>	<u>2,519,278</u>

Included within governance costs is auditor's remuneration of £28,200 (2022 – £24,300) and £55,620 (2022 – £15,000) for professional fees which included strategy development work and trustee recruitment.

8 Staff costs

	2023 £	2022 £
Wages and salaries	3,587,988	3,266,091
Social security costs	378,402	322,318
Pension costs	204,930	182,784
Redundancy costs	8,609	—
	4,179,929	3,771,193

The number of full-time equivalent employees during the period who earned over £60,000 in the year is as follows:

	2023 Number	2022 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	—	1
£80,001 - £90,000	1	—
£90,001 - £100,000	—	1
£100,001-£110,000	1	—

The average number of employees analysed by function was:

	FTE* 2023	Head Count 2023	FTE* 2022	Head Count 2022
*Full time Equivalent				
Nursing and care	84	127	89	106
Maintenance	3	5	3	7
Reception and portering	4	4	3	5
Management and administration	10	13	11	14
	101	149	106	132

Catering, cleaning, and laundry are outsourced, but with staff dedicated to British Home. Average numbers of catering and cleaning staff during the year were FTE 11/ Head Count 18 (2022 FTE 13 / Head Count 21).

Remuneration of key management personnel

No trustee received any remuneration in respect of their services during the year. No trustees were reimbursed for travel expenses in the year (2022 – £nil).

During the year, the total remuneration, including pension contributions and employer's national insurance contributions, of key management personnel was £344,739 (2022 – £299,800).

9 Related party transactions

No member of the Board of Trustees nor any officer of the Home had any beneficial interest in any contract with the Home during the year.

The Home has purchased insurance to protect it from any loss arising from any neglect or defaults of any member of the Board of Trustees or employee and to indemnify any Board Member or employee against the consequence of any neglect or default on their part. The total cover provided by such insurance is £2,000,000 (2022 – £2,000,000) and the insurance premium paid by the Home during the year totalled £2,555 (2022 – £1,581).

Donations from trustees totalled £120 (2022 – £140).

10 Taxation

British Home and Hospital for Incurables is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold building £	Hospital equipment £	Computer equipment £	Transport £	Total £
Cost					
At 1 April 2022	3,654,766	217,280	113,548	15,980	4,001,574
Additions	124,333	—	76,262	—	200,595
At 31 March 2023	3,779,099	217,280	189,810	15,980	4,202,169
Depreciation					
At 1 April 2022	3,276,194	68,450	77,688	9,588	3,431,920
Charge for the year	73,411	41,374	18,764	3,196	136,745
At 31 March 2023	3,349,605	109,824	96,452	12,784	3,568,665
Net book values					
At 31 March 2023	429,494	107,456	93,358	3,196	633,504
At 31 March 2022	378,572	148,830	35,860	6,392	569,654

At 31 March 2023 the trustees had committed to but not contracted for expenditure of £34,056 in respect to a project to upgrade the water tank.

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings.

12 Investments

Investments held at 31 March 2023 comprised the following:

	Investment property £	Listed investments £	2023 £
Market value at 1 April 2022	350,000	12,751,371	13,101,371
Disposals at opening book value	—	(1,500,000)	(1,500,000)
Net loss	—	(600,455)	(600,455)
Market value at 31 March 2023	350,000	10,650,916	11,000,916
Cash held by investment advisors for re-investment	—	1,062,789	1,062,789
Total investments	350,000	11,713,705	12,063,705
Historical cost of investments at 31 March 2023	—	8,810,854	8,810,854

12 Investments (continued)

	<i>Investment property</i> £	<i>Listed investments</i> £	2022 £
<i>Market value at 1 April 2021</i>	350,000	12,599,428	12,949,428
<i>Disposals at opening book value</i>	—	(500,000)	(500,000)
<i>Net gains</i>	—	651,943	651,943
<i>Market value at 31 March 2022</i>	350,000	12,751,371	13,101,371
<i>Cash held by investment advisors for re-investment</i>	—	1,049,793	1,049,793
<i>Total investments</i>	350,000	13,801,164	14,151,164
<i>Historical cost of investments at 31 March 2022</i>	—	8,713,910	8,713,910

The investment property is a share in land held on behalf of five charities. The valuation is at trustees' assessment based on a professional valuation by Montagu Evans in January 2019.

13 Debtors

	2023 £	2022 £
Fee debtors	442,872	367,843
Prepayments and accrued income	120,857	203,198
	563,729	571,041

Prepayments and accrued income at 31 March 2023 include legacies of £21,044 (2022 – £109,000).

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	126,351	212,230
Amounts held on behalf of residents	56,245	58,039
Accruals and deferred income	568,181	479,204
Social security and other taxation	204,295	160,627
Other creditors	321,401	245,402
Liability on withdrawal from pension scheme	778,000	778,000
	2,054,473	1,933,502

Note: A corresponding asset for residents' monies is included in cash at bank (see note 21).

Included above is deferred income which relates to income receivable in 2023/24 which can be analysed as follows:

	2023 £	2022 £
Deferred income brought forward	162,844	195,639
Deferred in the year	113,944	162,844
Released in the year	(162,844)	(195,639)
Deferred income carried forward	113,944	162,844

15 Operating lease commitments

At 31 March 2023, the Charity had the following total commitments under operating leases on plant and machinery as follows:

Amounts payable:	2023 £	2022 £
Within one year	4,281	4,281
In two to five years	—	4,281
	4,281	8,562

16 Endowment fund

	2023 £	2022 £
The D.O. Beale Trust	12,477	12,477

17 Restricted fund

In the year to 31 March 2023 the charity received £3,000 in restricted funds (2022 – none). The funds are to be used towards new minibuses.

18 Designated funds

The income funds of the Home include the following designated funds which have been set aside out of unrestricted funds by the Board of Trustees for specific purposes:

	At 1 April 2022 £	Released/ added in year £	New designations £	At 31 March 2023 £
Tangible fixed assets fund	569,654	(136,746)	200,596	633,504
Continuity of Care fund	5,900,000	—	—	5,900,000
Major and Cyclical Maintenance fund	2,000,000	(18,847)	18,847	2,000,000
	8,469,654	(155,593)	219,443	8,533,504

	At 1 April 2021 £	Released/ added in year £	New designations £	At 31 March 2022 £
<i>Tangible fixed assets fund</i>	<i>338,618</i>	<i>231,036</i>	<i>—</i>	<i>569,654</i>
<i>Continuity of Care fund</i>	<i>5,900,000</i>	<i>—</i>	<i>—</i>	<i>5,900,000</i>
<i>Major and Cyclical Maintenance fund</i>	<i>2,000,000</i>	<i>(12,100)</i>	<i>12,100</i>	<i>2,000,000</i>
	8,238,618	218,936	12,100	8,469,654

Tangible fixed asset fund

An amount equivalent to the net book value of tangible fixed assets at the end of the year is designated to recognise that they are not available for general use as they are not readily realisable.

Continuity of care fund

This fund has been established to meet the charity's obligations to provide essential services for all parties in the event of a critical incident.

18 Designated funds (continued)

Major and cyclical maintenance fund

This fund has been established as the charity operates from an old Victorian building which is both expensive to maintain and occasionally requires costly unplanned major repairs to the buildings infrastructure.

19 Analysis of net assets between funds

	Restricted fund £	Endowment fund £	Designated funds £	General fund £	Total 2023 £
Fund balances at 1 March 2023 are represented by:					
Tangible fixed assets	—	—	633,504	—	633,504
Investments	—	12,477	7,900,000	4,151,228	12,063,705
Current assets	3,000	—	—	1,127,932	1,130,932
Creditors: amounts falling due within one year	—	—	—	(2,054,473)	(2,054,473)
Total net assets	3,000	12,477	8,533,504	3,224,687	11,773,668

	Endowment fund £	Designated funds £	General fund £	Total 2022 £
<i>Fund balances at 31 March 2022 are represented by:</i>				
<i>Tangible fixed assets</i>	—	569,654	—	569,654
<i>Investments</i>	12,477	7,900,000	6,238,687	14,151,164
<i>Current assets</i>	—	—	1,427,681	1,427,681
<i>Creditors: amounts falling due within one year</i>	—	—	(1,933,502)	(1,933,502)
Total net assets	12,477	8,469,654	5,732,866	14,214,997

20 Pension commitments

The Home operated a defined benefit pension scheme providing benefits based on final pensionable pay until 31 March 2014. The defined benefit pension scheme closed to new members and future accrual as at 31 March 2014. The most recent triannual valuation of the scheme was at 1 April 2016.

In February 2018, after seeking advice from their advisors KPMG, the trustees took the decision to buyout of the scheme and a total liability of approximately £1,788,000 crystallised. During 2018 £1,010,000 was paid and the amount outstanding at 31 March 2022 is £778,000. The estimated liability is based on information provided by the trustees' professional advisors and Aviva, the insurers.

20 Pension commitments (continued)

The Federated Flexiplan No.1 ("the Plan") is a defined benefit pension scheme. It is a "last man standing scheme" which means that all participating employers are joint and severally liable for the Plan's liabilities. However, because of the non-associated multi-employer nature of the Plan, the charity does not have sufficient information available (in particular to identify its share of the underlying assets and liabilities of the Plan) to use defined benefit accounting. As such and as permitted by FRS 102, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount recognised in the statement of financial activities represents the charity's contributions payable to the Plan in respect of the accounting period.

Members of the Plan are entitled to benefits on either a "Pensions Capital" or "Target Pension" basis. Under the Pensions Capital basis, contributions paid by and in respect of members are accumulated up to retirement and then used to secure benefits for the member. Under the Target Pension basis, members receive a defined pension at retirement based on length of service in the Plan and their Pensionable Salary at date of leaving. The Plan is closed to new members and to future accrual of benefits.

21 Cash at bank

Cash at bank of £567,203 on 31 March 2023 (2022 – £856,640) includes £56,245 held on behalf of the residents of the Home (2022 – £58,039). A corresponding liability for these monies is included in creditors (note 14).

Accounts

**British
Home and
Hospital for
Incurables**

**Report and Financial Statements
for the year to**

31 March 2022

Charity Registration Number
206222

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Reference and administrative details

Patron	Her Royal Highness Princess Alexandra (retired December 2021)
Honorary President	Professor, The Lord McColl of Dulwich
Chair	Mrs Kay Sonneborn BA
Deputy Chair	Mr David Green MA (Cantab)
Board of Trustees	Mrs Patricia Collinson, Dip NUR, RNT Mr Kenneth Dunn MA, DipMS Ms Alison Hughes RN, MHSM Mrs Rowenna Hughes GradDip MCSP, SRP (resigned September 2022) Mr James Mill TD, CA Mr Derek Prentice Ms Rebecca Sycamore Ms Jane Fisher Mr Tom Walker (appointed 28 July 2021)
Chief Executive Officer to the Board	Mr Paul Perkin
Director of Care	Mr Keith Crowhurst, RN (resigned November 2021) Mr Douglas Webb – Interim (appointed January 2022)
Director of Finance and Resources	Mrs Natasha Charles-Lewis, ACMA
Address	Crown Lane Streatham London SW16 3JB
Website	www.britishhome.org.uk
Charity registration number	206222
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative details

Investment advisors CCLA Investment Management Limited
80 Cheapside
London
EC2V 6DZ

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London, EC4M 8BU

Bankers Barclays Bank plc
Clapham Common Group
PO Box 4038
London, SW12 9YB

Legal advisers Hempsons
40 Villiers Street
London, WC2N 6NJ

Report of the Board of Trustees Year to 31 March 2022

The Board of Trustees ('the Board') presents the statutory report and financial statements of British Home and Hospital for Incurables ('British Home') for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out on pages 28 to 31 and comply with British Home's Charter of Incorporation and Regulations, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

A Note from our Chair

Over the last two years the Covid Pandemic has taken up most of the Board's attention which has delayed the progress of our strategy. As we recover from the pandemic, we have a renewed focus on our principal objective, to become a centre of excellence of neuro-care and rehabilitation. Our residents' expanding needs are at the forefront of our vision, as well as the recognition that demand for our rehabilitation and re-ablement services is increasing.

This requires us to rapidly continue the development of our services for the benefit of current and future residents. In the last year we increased our therapy Services, which included training our Care Assistants in basic therapy techniques, to further integrate re-ablement into all aspects of resident's care.

Our future strategy requires us to ensure that our buildings can provide a more therapeutic environment including the facilities and infrastructure for new technologies, to support those with more complex needs. The Board has reaffirmed its commitment to ensuring that our building development programme remains a key tenet of the charity's 5-year strategy.

Strong governance remains key to how our Trustees fulfil their role and we are continually reviewing our processes. Our adoption of a new terms of appointment, in line with the Charities Code of Governance, will mean that several of our current Trustees will retire from their roles over the next year. In anticipation of this, Trustees underwent a skills review last year to identify the gaps in skills and experience of the current Board, particularly within the context of stewarding the charity towards its strategic objectives.

The Board has reaffirmed its commitment to Equality, Diversity, and Inclusion (EDI) across all areas of the Charity and ensuring a more diverse Board will be key to future Trustee recruitment. In July 2021, Thomas Walker was appointed onto our Board. Thomas has extensive experience in global strategy, property, and corporate governance and he has already made a significant contribution to the charity's future planning since taking up his role.

Covid is still having an impact on the Charity even though restrictions were lifted earlier in the last year. Our infection control and testing are still continuing at significant cost to the Charity and further, temporary lockdowns still occur as and when new cases of COVID are identified. We have recognised that for visitors this still presents frustration, and difficulty. This has also had an impact on our staff who have remained resilient throughout and their care and concern are commendable.

Report of the Board of Trustees Year to 31 March 2022

A Note from our Chair (continued)

However, despite this, our controls have allowed us to see volunteers returning to the Home together with local groups providing sport and rehab-based activities. We were also able to hold our Summer Party in the garden and whilst we were restricted on numbers it was a wonderful afternoon with many Residents, accompanied by staff and family members.

Other highlights of the last year included our regulator, the CQC, awarding us a good grading across all of the five standards. The Board would like to thank all of our staff for their hard work and efforts towards achieving this. In June we successfully launched our national Neuro-disability Awareness Day to raise awareness of the 1 in 6 people living with a neurological condition in the UK. This was supported by a fundraising and media campaign, which received wider coverage across national press, TV, and social media.

Our Patron, HRH Princess Alexandra retired in December 2021 having been our Patron since 2003, succeeding as Patron from HRH Queen Elizabeth the Queen Mother. HRH has always given us unwavering support and visited us so frequently over her time as Patron. The Board would like to thank her Royal Highness and wish her well in her retirement.

Finally, the Board would like to thank our staff for their continued dedication to our residents and the Charity as a whole. We remain proud and grateful for their contribution and recognise that it is because of their skills and continued professional development, that we are able to meet the needs of people with ever more complex needs, We can, and we will continue to offer more with every year and look forward to a brighter future for our residents and everyone who is part of British Home.

Composition of the Board of Trustees (continued)

The Charity Board of Trustees is:



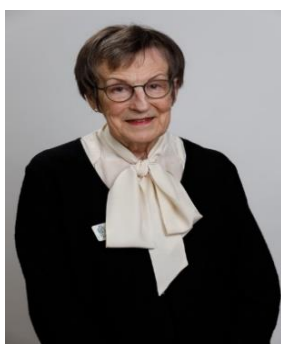
Chair: Kay Sonneborn

Kay was an investment analyst for a US investment bank for many years. She has been involved with the charity and health sector for over 30 years and has held senior non-executive roles in the NHS. Kay was Chair of the largest Primary Care Trust in London for ten years.



Deputy Chair: David Green

David worked in Merchant banking before a long involvement with the charitable sector in London, firstly as Finance Director of the London Voluntary Service Council and subsequently as Chief Executive for the Cripplegate Foundation and the St Luke's Parochial Trust, allocating millions of pounds in grants to projects in Islington.



Patricia Collinson

Patricia has spent her career in nursing and nurse education with experience of both the NHS and Government work. Her last post before retirement was Nurse Director for the Medical Devices Agency, Department of Health. Since then she has worked as an Expert Nurse Witness and as an Editorial Consultant. She has been a Trustee of the Crossroads Caring for Carers Association.



Kenneth Dunn

Kenneth Dunn joined the Board of Trustees in December 2014. Kenneth has some 30 years of social care experience. He has a broad knowledge of the care industry and government policies and procedures regulating care.

Composition of the Board of Trustees (continued)



Alison Hughes

A nurse and midwife with 36 years' experience, Alison trained at University College Hospital before moving to Oxford and then Australia to practice. She spent four years overseas before joining the cardiac unit at St George's Hospital Tooting, moving from Sister to Head of Nursing and finally Divisional Director of Nursing and Governance. Alison retired from the NHS in 2015 and currently works part time on a consultancy basis.



Rowenna Hughes (retired from the Board September 2022)

Rowenna trained as a physiotherapist at Guy's Hospital and went on to specialise in working with disability. For thirty years she managed a team of physiotherapists at King's College Hospital working with young adults and children with disabilities and then served as Staff Governor on the Council for Governors at KCH NHS Foundation Trust. Rowenna is Chair of the Friends of KCH. She was awarded an MBE in 2012 for her work in the field of disability.



James Mill

James worked in oil and gas exploration for much of his career, operating in Libya, Pakistan and Canada amongst other places. For the last ten years of his working life he was Finance Director of the Royal Star & Garter Home, a 180-bed nursing home and military charity in Richmond, and consequently has extensive experience of the challenges facing charities like British Home.



Derek Prentice

Derek spent the majority of his career in consumer affairs, spending over twenty years with Consumers' Association (Which?) and serving as the President of the European Consumers Organisation BEUC. Derek is a Council Member and Trustee of the Royal College of Emergency Medicine and Chairs its Lay Group. Derek has been the Vice Chair of the Lay Group of the Academy of Royal Medical Colleges, the Chair and Lay Member of the General Dental Council and a Trustee of King's College Hospital.

Composition of the Board of Trustees (continued)



Rebecca Sycamore

Rebecca has considerable experience of Director level posts within large charities. She is currently Executive Director of Development at the homelessness charity and Housing Association, St Mungo's where she has responsibility for fundraising, communications and marketing, business development and strategic asset management. She has also been a specialist social worker, helping homeless people experiencing mental health problems for the London Borough of Ealing, as well as holding positions with Crisis and Homeless Link



Jane Fisher

Jane has worked in the NHS for over thirty years, starting as a nurse with a special interest in trauma. After twenty years on the front line, she moved into NHS management and now manages the North West London Renal and Transplant Service (the largest such unit in Europe). Jane is passionate about healthcare and has a strong commitment to delivering equality and diversity.



Tom Walker

At its meeting in July 2021 Trustees agreed to appoint Mr Tom Walker to the Board of British Home. Tom is currently Co-Head of Global Listed Real Assets for Schroders

Mrs Rowenna Hughes tendered her resignation in July 2022 and will step down from her role as Trustee at the Annual General Meeting in September this year. The Board and Executive Team would like to thank Mrs Hughes for seventeen years of tremendous service. Mrs Hughes has provided great guidance and insight into all clinical matters concerning British Home and has been instrumental in embedding the rehabilitation services that remain an integral part of the support provided by the Charity.

Board Responsibilities Statement

The charity's trustees are responsible for preparing the report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice. Charity law requires the Board, as trustees, to prepare financial statements which give a true and fair view of the financial activities of British Home during the year and its financial position at the end of the year. In preparing the attached financial statements, the Board is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that British Home will continue to operate.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of British Home and which enable it to ensure that the financial statements comply with the Charities Act 2011. The Board is also responsible for stewarding the assets of British Home and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure, governance, and management

British Home was granted a Royal Charter on 1 November 1899. It is governed by a Charter of Incorporation and Regulations (revised 8 January 2009) and is a registered Charity (No. 206222). Responsibility for British Home rests with the Board who are the trustees of the charity for the purposes of charity legislation.

British Home is regulated by the Charity Commission, by the Care Quality Commission (CQC) and, as a Royal Charter Company, by the Privy Council.

The Board met 4 times in the year to 31 March 2022 and more informally on a number of occasions to discuss British Home's future strategy. At 31 March 2022 the Board comprised 11 members who held office throughout the year (unless otherwise stated on page 1).

No member of the Board received any remuneration for services as a member of the Board.

Structure, governance, and management (continued)

Board Committee Structure

The Board continues to review its governance committee structure annually, to ensure that it remains fit for purpose and responsive to emerging, strategic opportunities and risks. At its meeting on the 13 of May 2020 the Board completed a formal review of its governance structure including the terms of reference for each of its sub-committees and their alignment with those objectives included in the charity's 5-year strategy.

Care Governance Committee

The Care Governance Committee provides assurance to the Board by having Trustees with relevant health and social care experience to review the provision of care in the Home, and to offer support and counsel to the Director of Care in this regard. The Care Governance Committee maintains oversight of British Home's clinical practice and care provision including quality assurance, service improvement, safe practice, and regulatory compliance. At its meeting in May 2021 the Care Governance Committee agreed a new suite of strategic performance indicators which support the charity's aspiration to become a Specialist Level-2 Neuro-rehabilitation provider.

Finance Committee

The Finance Committee has delegated responsibility from the Board to oversee all financial aspects of the Charity's operations including the Charity's investment strategy and appointment of its Investment Managers. The Finance Committee also has responsibility for British Home's human resources, building and maintenance services, as well as the development of the Charity's IT and digital strategy. The Finance Committee continues to set annual targets to reduce the current deficit and achieve an annual operational surplus.

In April of 2021, the Finance Committee oversaw the development of a new Financial Sustainability Plan, intended to eliminate the operational deficit over the next four years. This plan was approved and adopted by the Board at its meeting in May 2021, with its key focus on levelling -up care fees for those residents whose costs are not fully met by commissioners. Since the pandemic, the recruitment of care staff within a challenging market has emerged as the Charity's key strategic risk. The Finance Committee continues to review staff salaries and benefits to ensure that these remain competitive and to advise the Remuneration and Nominations Committee in this regard.

Redevelopment Oversight Committee

In December 2019, the Board agreed to terminate its earlier agreement with a development partner to build a new care facility on the existing site of the British Home. Over the following year, the Charity's development aspirations were placed on hold as it responded to the operational and financial challenges brought about by the global pandemic.

Structure, governance, and management (continued)

Redevelopment Oversight Committee (continued)

In November 2020 the Board agreed the terms of reference for a new Redevelopment Oversight Committee, to oversee the design and completion of the refurbishment of British Home. A feasibility study was commissioned in late 2021 to explore the options for monetising part of the existing site to meet development costs. The initial findings of the study determined that current market conditions are as such, that the full costs of any refurbishment would not be met by part-sale of the existing site. In view of this, the Committee continue to explore further options to develop a new, state-of-the-art facility for British Home's residents. This will include a significant capital fundraising programme as well as consideration to a new development on an alternative site if more viable.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee was reconstituted in 2018 to oversee the balance and effectiveness of the Board, including the appointment of new Trustees. The Remuneration and Nominations Committee is also responsible for the remuneration of the executive management team of the Charity, as well as the annual review of staff salaries and benefits.

Trustee recruitment, induction and training

The Board annually reviews the mix of skills and experience of its members and seeks new trustees where specific skill gaps are identified. New trustees are offered an individually tailored induction programme to familiarise themselves with all aspects of the charity's work, legal and statutory responsibilities including all relevant regulatory requirements determined by the Charity Commission. Over the next year, the Remuneration and Nominations Committee will begin a recruitment process to support the Board's succession planning, as several Trustees approach the end of their fixed tenures. As part of this process, the Board will seek to increase the diversity of its membership to ensure that it remains reflective of British Home's residents, staff and wider community.

The Board is regularly updated on all key operational and clinical developments within the Home and each Trustee participates in the monthly Board visitor programme where they can hear first-hand from residents, staff, and families about the quality of service being provided.

Management of British Home

The key management personnel of British Home responsible for directing and controlling the operations of the charity comprises the Board of trustees, the Chief Executive Officer, the Director of Care and the Director of Finance and Resources.

Mr Paul Perkin (BA Hons) is the Chief Executive Officer of British Home. Paul took up this post in April 2017. Paul has over twenty years' experience within the social care and housing sector. Paul holds a BA Hons degree in Urban Policy from Lancaster University and has a long track record of campaigning and advocating on the behalf of society's most vulnerable people. Paul is also Chair of the Board of Evolve Housing and Support a London based homelessness charity and registered social landlord.

Structure, governance, and management (continued)

Management of British Home (continued)

Mr Keith Crowhurst RN (MSc) was the Director of Care and Development until October 2021. Keith took up this role with effect from May 2017. Keith is a registered nurse and an experienced care home manager with qualifications in the leadership and management of care services. Keith holds an MSc. from University College London and has written and lectured on specialist nursing and care. Keith resigned from his role in October 2021. The Board and the Executive Team would like to thank Keith for his contribution to British Home over his tenure.

Mr Douglas Webb is the Interim Director of Care. Douglas took up this role with effect from January 4 2022 to support British Home until it could make a substantive appointment to the role. The objectives of the role are to ensure high quality care and drive continuous improvement within its clinical services, as well as support the home in its ambition to deliver innovation and models of care for people with neurological conditions.

Mrs Natasha Charles-Lewis ACMA (MSc) is the Director of Finance and Resources at British Home. Natasha took up this role in September 2019. Natasha has over sixteen years' finance experience within the healthcare and charitable sector. Natasha is an associate member of the Chartered Institute of Management Accountant and holds a further degree in strategic business management.

Aims Objectives and Strategy

British Home provides specialist nursing care, rehabilitation, and social support to adults with a neuro-disability. This will typically include people living with severe impairment often resulting from brain injury, stroke or through a degenerative illness. We work with each of our residents to tailor a holistic and bespoke package of care and rehabilitation, enabling them to live as full and independent lives as possible. British Home also provides end of life care, ensuring that dignity, comfort, and choice remain at the heart of all that we do.

British Home is registered to look after a maximum of 127 residents; however, in 2013 the Board agreed to decommission 49 beds to achieve a more optimum operational capacity of 78 beds, and to ensure that all available accommodation continues to meet our aspirational standards. In 2019, a further three respite beds were re-commissioned due to an increased demand for this provision in the last year. Average occupancy over the year on this basis was 88% or 70 residents (2021 – 86% or 69 residents).

In 2019, the Board agreed its 5-year strategy, with a central aim to build upon its experience and become a specialist provider of neuro-disability rehabilitation. Over the next three years of its current strategy, the Board will continue to invest charitable income to develop British Home into a centre of excellence for specialist rehabilitation, in line with The British Society of Rehabilitation Medicine (BSRM) standards. In doing so, we will enable more people to manage their disability and illness more effectively, with an emphasis on increased independence, pain relief and greater enjoyment of life (including those approaching end of life).

Aims Objectives and Strategy

COVID-19

The global COVID-19 pandemic and subsequent lockdown had a significant impact on the health and wellbeing of all the Charity's residents. The commitment and resilience demonstrated by our staff over that time was exemplary and ensured that we could continue to meet the needs of all our residents in the most challenging of circumstances. While the majority of COVID restrictions have been lifted across most of society, this has not been the case for providers of health and social care.

Over the last year we have continued to implement robust infection control procedures as required to protect our vulnerable residents. In January of this year, we were delighted to welcome visitors back into British Home following almost two years of lockdown. However, the risks around infection have remained and we have since been required to close the Home to visitors on several occasions due to new infections. We continue to monitor infections through a weekly testing regime to ensure that our residents remain safe and that further lockdowns are a last resort for controlling infection. As noted in previous year's accounts, COVID had a significant impact on occupancy levels within British Home as mortality increased amongst more vulnerable residents, and new referrals into the service were paused. As COVID restrictions have begun to lift, the rate of referrals has not yet returned to pre-pandemic levels; however, the Board remain confident that occupancy levels will increase as renewed demand for the service continues to grow.

Public benefit

In setting the charity's objectives the trustees have given careful consideration to the Charity Commission's guidance on public benefit. The Board believes that British Home continues to meet the Charity Commission's public benefit test principally in that the majority of residents in British Home have for many years benefited from the availability of statutory funding. The charity subsidises the running cost of British Home and provides a range of additional rehabilitation and social support to residents from its own charitable funds.

Personalised Support

At British Home, we recognise that each resident is an individual and that they and their families will often provide the greatest insight into how our staff can best meet their care needs. Residents at British Home are continually assessed by a multi-disciplinary team comprising of clinical staff and therapist to ensure they receive an appropriate service offer commensurate with their individual needs. We work with residents and their families to develop personalised care plans, ensuring that they direct and control the care we provide. Over the next year we will continue to train and develop all our nursing and care staff in rehabilitation support, which will ensure greater integration of each resident's individual therapy and treatment plans across all aspects of their daily care. We continue to work with residents receiving palliative care to develop personal end of life care plans. Last year 100% of residents had an agreed end of life plan in line with their personal wishes.

Aims Objectives and Strategy (continued)

End of Life Care Gold Standard Framework

In January 2020, British Home underwent re-accreditation with the Gold Standard Framework for its End of Life Care. Trustees were delighted that the Charity was awarded the Platinum Care Hallmark in recognition of its high quality and person centred, End of Life support. British Home's End of Life Care is delivered through a multi-disciplinary team that brings together nurses, therapists and other professionals involved in a resident's care under the direction of our Director of Care and Home Manager. All residents, for whom it is appropriate, are supported to develop an End of Life Care Plan, to direct the support and care they receive from British Home. British Home will undergo re-accreditation for the Gold Standard Framework in March 2023.

Risk management

The Board regularly reviews the potential major risks to the charity and undertakes a formal risk audit each year to identify any additional risks that the charity may be exposed to and to ensure that adequate control measures are in place to mitigate identified risks. To protect the assets of the charity, British Home maintains a comprehensive suite of insurance policies.

The Board considers the 'failure to reduce its operational deficit', as its key strategic and operational risk, given that this would have a detrimental impact on the future sustainability of the Charity and the well-being of its residents. The Charity's 5-year strategy has guided British Home's transition from a traditional nursing care model to that of a specialist provider of neuro-disability nursing care and rehabilitative support. This will ensure that care fees are more commensurate with residents' support needs and that the Charity is not required to subsidise the costs for those residents who no longer require the level of specialist nursing and support provided within the Home.

Given the unique challenges posed by the recent COVID -19 pandemic, it has been necessary to revise the Charity's business continuity plan to ensure the well-being and safety of all who live and work at British Home. It is expected that COVID-19 will continue to effect life at British Home for some time to come. A primary focus of the Board's risk management plan will be to ensure that those measures intended to manage new infections remain effective and in line with the most recent guidance.

In recent years the health and social care sector has experienced significant challenges around recruitment and retention of experienced care staff. British Home is not immune to this, and over the last year the recruitment of skilled staff into British Home has emerged as a key risk for the charity. The Executive Team has introduced a range of measures to attract talented staff and to reduce its dependency on temporary workers, with some success. However, this has not been without significant cost as the Charity has sought to increase salaries and benefits to attract skilled workers within a competitive market. Over the next year, the Executive Team will engage with local Integrated Care Boards to ensure that care fees reflect the demands of local labour markets, and that British Home remains able to attract and retain highly skilled and experienced staff.

Aims Objectives and Strategy (continued)

Volunteers & Carers

Volunteers at British Home make a positive difference to the lives of residents at British Home through their involvement in a wide range of activities including rehabilitation support, recreational activities, befriending and fundraising.

Since the easing of lockdown restrictions this year, we have been able to welcome volunteers back into British Home. In September 2021 we hosted a summer event for all our residents, families, and staff to celebrate us being able to come together as one community for the first time since lockdown. The Board remain grateful to our volunteers who contributed to this event, as well as the continued support of Fitzgerald Orchestra who provided such wonderful music on the day.

British Home also places significant value in the views and contributions of its community of resident's families and carers. The Charity offers a variety of ways for families and carers to have their say on how care and support is delivered at British Home, recognising their role as advocates and experts in how their loved ones are cared for. Over the last year, families and carer's views were heard through online quarterly families and carer's meetings as well as through our annual family and carer surveys.

Fundraising

The shortfall in our operating income, as noted earlier, is made up in part from generous donations and legacies bequeathed to the Home. British Home remains reliant on voluntary contributions to enable the charity to innovate and develop new ways of working to support people with neurodisability to live as independent and full a life as possible. The Board are grateful for all charitable contributions from our generous donors and would like to pay particular thanks to the following Trusts and individuals for their continued support:

I V Askew Charitable Trust
J H Bartlett Charitable Trust
Bothwell Charitable Trust
Davis Rubens Charitable Trust
Gilbert & Eileen Edgar Charitable Trust
D G Ryder Charitable Trust

The Board would also like to thank Mr Keith Crowhurst and Mr Adam Grimwood for their significant individual contribution to British Home's fundraising efforts over the last year.

As a charity registered with the Fundraising Regulator, we are committed to ensuring our fundraising is legal, open, honest, and respectful. British Home did not actively pursue donations from individuals and the general public and did not use the services of a professional fundraiser. No complaints were received in relation to how the charity conducted its fundraising activity.

Aims Objectives and Strategy (continued)

Environmental, Social and Governance

Since its inception British Home has provided care and support to some of the most vulnerable people within its community. We remain proud of the public benefit we continue to provide to severely disabled people, and we also recognise the wider role we can and should play towards reducing our environmental impact, increasing diversity and inclusion, and ensuring strong and ethical governance practices.

The charity continues to ensure that its investments are managed in compliance with ESG criteria, through dedicated funds in line with Charity Commission Guidance. Over the next two years we will continue to build upon this commitment to ESG practices in a variety of ways; from how we manage our carbon footprint, including procuring services and influencing our suppliers' environmental practises; to how we ensure the welfare of our staff and increase opportunity and diversity across our workforce.

Our Values

All at British Home are committed to upholding our organisational values which have been developed in collaboration with our residents, staff and other stakeholders and partners.

These values inform every aspect of our work, including the care we provide to residents and the way we support our staff to carry out their important roles.

Our Values determine that we:

- ◆ put the individual at the heart of their care;
- ◆ understand that every individual will have their own targets and motivations, and that rehabilitation is a process that people take at their own pace;
- ◆ recognise the advantages that our diversity provides, we will harness the talent and energy of everyone at British Home: staff, volunteers, residents, families and carers;
- ◆ will always act with integrity, openness and honesty; and
- ◆ are committed to the highest standards and will embrace innovation and models of best practice.

Our Royal Patron

Her Royal Highness Princess Alexandra first visited the Home deputising for Her Majesty Queen Elizabeth, The Queen Mother, who was our patron for more than seventy years. Her Royal Highness became patron of the Home in 2003 and supported the Charity's work and continued development since that time. After twenty years of committed patronage, Her Royal Highness has retired from her role with the Charity. The Trustees and staff of British Home are very grateful for the years of support and dedication of Her Royal Highness to British Home, and we wish her a restful and enjoyable retirement. As we look to the future, the Trustees will seek to engage a patron who can demonstrate the required commitment and support as is required for the Charity and its current and future residents.

Report of the Board of Trustees Year to 31 March 2022

Financial review

Performance in the year

The operating deficit for the period was £1,977,961 (2021 – £2,240,535) as shown in the table below:

	2022 £	2021 £
Fees	4,833,020	4,258,763
Less: Expenditure	(6,810,981)	(6,499,298)
Operating deficit	(1,977,961)	(2,240,535)
Donations	159,224	45,574
Investment income	362,118	420,172
Other Income	303,638	369,931
Deficit before legacies	(1,152,981)	(1,404,758)
Legacies	130,669	526,842
Net expenditure for the period before investment gains and losses	(1,022,312)	(877,916)

a) Fees

Income from fees charged increased by 13% to £4,833,020 (2021 – £4,258,763). The decrease in average occupancy as a result of the current pandemic was augmented by higher fees generated in respect of new admissions with continued focus on attracting specialist needs residents with neurological conditions and a greater emphasis on the charity's therapy provision. As in recent years, a very low level of fee increase was awarded for longer term residents and only by a small number of funders putting continued pressure on the charity's resources.

b) Expenditure

Expenditure in 2022 increased by 5% to £6,810,981 (2021 – £6,499,298).

Within this total, staffing costs amounted to £3,771,193 (2021 – £3,882,795) a decrease of £111,602. British Home staff are the heart of our organisation, whenever possible the Board endeavours to provide a real increase in pay and ensures that staff are paid in line with industry standards.

c) Fundraising and publicity

Costs, with allocated support costs, totalled £190,514 (2021 – £124,141). This included costs for the external marketing of British Home to continue raising awareness of British Home and its work, to support its fundraising endeavours.

d) Donations

Donations increased within the last year to £159,224 (2021 – £45,674). The Covid pandemic impacted on fundraising activities during the year and contributed to a decline in donations received compared to previous years. In the current year we received a significant donation from J H Bartlett Charity Trust which resulted in an overall increase. The charity is thankful for the great support of individual donors and charitable trusts, a number of whom have been loyal supporters of British Home for many years. The Board equally values every contribution regardless of size and is particularly grateful for the dedication of local groups and individuals in helping to fundraise.

Financial review (continued)

Performance in the year (continued)

e) Income

Income from legacies decreased within the last year to £130,669 (2021 – £526,842). In line with the legacy income recognition policy, whereby a future legacy receipt is recognised as income provided probate has been granted and eventual receipt is probable, £109,000 (2021 – £233,000) has been recognised as income ahead of receipt in cash. Historically the legacy income of British Home has fluctuated and is unpredictable from year to year. As with a number of charities, British Home's fundraising income continued to be adversely affected as participatory fundraising events were compromised, or postponed, as a result of the pandemic. We look forward to engaging more of our supporters in a variety of fundraising events and initiatives over the coming year as COVID restrictions are lifted.

Pension Liabilities

The charity previously operated a final salary pension scheme which closed to new members as of 31 March 2014.

The Board engaged KPMG to advise it as to whether measures could be taken to potentially mitigate the liabilities of the scheme and whether securing member' benefits under the scheme through an insurance company buy-out might be an affordable option for British Home. The Board considered that removing at an affordable cost the risk to its reserves represented by an open-ended obligation to fund any future deficits in the scheme would be in the best interests of the charity.

In February 2018 the trustees decided to withdraw from the scheme and a total liability of approximately £1,788,000 crystallised. This quotation also included costs for legal and actuarial fees associated with the buy-out, as well as provision for any unforeseen costs arising from a final data cleansing exercise of the scheme, which will be jointly conducted by Aviva and the scheme's actuary.

The trustees paid over the sum of £1,010,000 on 3 March 2018. There remains a provision in the accounts at the reporting date of £778,000. The data cleansing exercise was still in progress at the reporting date and the provision remains unchanged.

The Board are pleased to have secured a buy-out of the closed defined benefit scheme with an established and reputable insurer such as Aviva. This will ensure greater security in the longer-term for the members of this pension scheme, while removing a significant liability from the charity's balance sheet.

The replacement to the now closed final salary scheme is a defined contribution Group Personal Pension Plan provided through Royal London. Under this arrangement British Home contributes 10% of pensionable salary while employees contribute 5%. Employees who have not elected to join the GPPP are, if eligible, subject to auto-enrolment at contribution rates set as part of the Government's pension membership initiative.

Financial review (continued)

The Home's Net Assets

The net assets of British Home at 31 March 2022 were £14,214,997 (2021 – £14,585,366). Of these £569,654 (2021 – £338,617) related to fixed assets which were comprised mostly of freehold buildings, which are wholly used for charitable purposes and are represented by a specific designated fund. Fixed asset purchases and disposals during the year are shown in the notes to the financial statements. The net assets also included £12,477 of endowment funds not expendable by the charity. After allowing for further designated funds as described below the general unrestricted funds of the charity at 31 March 2022 were £5,732,866.

Reserves policy and financial position

In determining the level of reserves necessary to continue the work of British Home, the Board balances its long-term obligations and risks with the needs of current beneficiaries. Where there is a capital commitment, a need to generate income for a specific purpose, or a need to ring-fence funds for the future stability of the charity, the Board has established designated funds. COVID- 19 had a significant impact on the charity's reserves and highlighted the need to retain an appropriate level of free reserves in order to respond to unforeseen events and to protect the wellbeing of the charity's beneficiaries.

Designated reserves

At the end of the financial year 2021/22 the British Home held £14,151,164 in investments which were otherwise unrestricted and free reserves. These fund's were split between general reserves £5,732,66 and £8,469,654 designated funds for fixed assets, continuity of care and major and cyclical maintenance. The Board is awaiting costings for the planned redevelopment project which would require a further designation along with capital fundraising to fund the project. The Board has currently made the following designations.

Continuity of Care Fund: The Board of Trustees is conscious of its long-term obligation to the residents in its care, their sponsors and their carers and to balance the needs of current residents with those of the future. The Board believes that the equivalent of 12 months anticipated costs is required to meet its obligations to provide essential services for all parties in the event of a critical incident. The Board has therefore designated £5.9M of its reserves to this fund, to provide for one year's running costs.

Major and Cyclical Maintenance Fund: The British Home operates from an old, Victorian building which is both expensive to maintain and will also occasionally require costly unplanned repairs. Trustees have therefore created a fund to meet the costs of major and cyclical maintenance when the need arises. The Board has designated £2M of its reserves to this fund, in the event that major repairs are required to the buildings infrastructure.

Investment policy and performance

The investment objective of the Board is to maintain the real value of the fund over time whilst generating a stable and sustainable return on investments in the form of dividend payments to supplement the charity's income. The Finance Committee has responsibility for agreeing strategy and monitoring the investment assets. The committee meets quarterly and reviews the portfolios performance.

Financial review (continued)

Investment policy and performance (continued)

The market value of the portfolio at 31 March 2022 was £13,801,164 (2021 - £14,491,862 and 2020 - £12,985,863). This is a book valuation and may differ significantly from the price achieved when the funds are sold. The value of the portfolio fell during the year because of withdrawals to cover cash shortfalls arising from the deficit. The amounts drawn down at 31 March 2022 were £500,000 (2021 - £2,500,000 and 2020 - £1,000,000). The underlying investment performance showed net unrealised investment gains of £651,943 for the year (2021 - £2,496,626 gains and 2020 - £136,995 losses) reflecting the change in market value of investments since 31 March 2021. The income produced from these investments amounted to £362,042 (2021 - £419,585 and 2020 - £484,944).

The past two years have seen big movements in markets. In March 2020 Covid-19 brought lockdowns all over the world with consequent reductions in economic activity and falls in market value. By March 2021 much of that decrease in value had been recovered only for world markets to be hit in 2022 by big increases in energy prices, war in Ukraine and inflation at a level not seen for 30 years. The unwinding of quantitative easing after the financial crisis of 2008 still hangs over the market.

Whilst the charity's funds are of a sufficient size to have a segregated portfolio, the Trustees decided, after a review some years ago, to invest in pooled and common investment funds for charities. The saving in costs is considerable but it means that the charity loses its power to directly influence and control the underlying investments made or the detail of the Environmental, Social and Governance (ESG) policies to be followed.

The two funds in the portfolio are the COIF Charity Investment and Fixed Income Funds, managed by CCLA, and the Sarasin Consolidated Alpha Fund for Endowments, managed by Sarasin & Partners. Both these managers are mindful of the ethical concerns of their charity clients and pursue active ESG research. This research informs not just asset allocation, assessment of risk and stock selection but also how they vote the shares they buy. Both managers talk to the management of those companies to raise concerns. Both managers publish detailed ESG policies and descriptions of how they assess risk. Both managers also present annually to the Finance Committee illustrating the analysis of the financial return, risk, asset allocation, the funds' performance against agreed market benchmarks, and the investment objectives.

Auditor

Buzzacott LLP, the Home's auditors have indicated their willingness to remain in office for a further year.

Report of the Board of Trustees Year to 31 March 2022

Thanks, and acknowledgements

The Board continues to be highly appreciative of the support for the Home shown by commissioners of social care. British Home as an independent charity well understands the cost pressures associated with the provision of social care and hopes that the Board and Commissioners can work together to ensure the ongoing provision of first class, affordable care at Crown Lane long into the future.

The success of British Home as a charity is down to the combined efforts of many individuals and organisations. However, one group clearly stand out as being the bedrock on which the charity stands, and that group is its dedicated and caring staff. The Board would like to say 'thank you' to every member of our staff who 'day in, day out' do a wonderful job in supporting, caring and enriching the lives of the residents of British Home.

Approved by the Board of Trustees and
signed on its behalf by:

Kay Sonneborn

Trustee

Approved on: 3 November 2022

Independent auditor's report to the members of British Home and Hospital for Incurables

Opinion

We have audited the financial statements of British Home and Hospital for Incurables (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

How the audit was considered capable of detecting irregularities including fraud

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); Care Standards; Health and Safety Regulations; The Code of Fundraising Practice; Safeguarding Regulations; and Data Protection; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

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

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Assessed controls over the opening of post;

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of the Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Date: 30 November 2022

Statement of financial activities Year to 31 March 2022

	Notes	Un- restricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Income from:						
Donations and legacies	1	289,893	—	—	289,893	572,516
Investment income	2	362,118	—	—	362,118	420,172
Charitable activities	3	4,833,020	—	—	4,833,020	4,258,763
Other income	4	303,638	—	—	303,638	369,931
Total income		5,788,669	—	—	5,788,669	5,621,382
Expenditure on:						
Raising funds	5	190,514	—	—	190,514	124,141
Charitable activities	6	6,620,467	—	—	6,620,467	6,375,157
Total expenditure		6,810,981	—	—	6,810,981	6,499,298
Net (expenditure) for the year before investment gains		(1,022,312)	—	—	(1,022,312)	(877,916)
Gains on investments	12	651,943	—	—	651,943	2,496,626
Net (expenditure)/ income and net movement in funds		(370,369)	—	—	(370,369)	1,618,710
Fund balances brought forward at 1 April 2021		14,572,889	—	12,477	14,585,366	12,966,656
Fund balances carried forward at 31 March 2022		14,202,520	—	12,477	14,214,997	14,585,366

All of the Home's activities are derived from continuing operations during the above and prior financial period.

Balance sheet 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible fixed assets	11		569,654		338,618
Investments	12		14,151,164		14,491,862
			14,720,818		14,830,480
Current assets					
Debtors	13	571,041		580,186	
Cash at bank	21	856,640		1,022,420	
		1,427,681		1,602,606	
Creditors: amounts falling due within one year	14	(1,933,502)		(1,847,720)	
Net current (liabilities)			(505,821)		(245,114)
Net assets			14,214,997		14,585,366
The funds of the charity:					
Endowment fund	16		12,477		12,477
Restricted funds	17		—		—
Unrestricted funds					
. Designated funds	18		8,469,654		8,238,617
. General fund			5,732,866		6,334,272
			14,214,997		14,585,366

Approved by the Board of Trustees on 3 November 2022 and signed on its behalf by:

Trustee

David Upton
Kay Sonneborn

Statement of cash flows 31 March 2022

	Notes	2022 £	2021 £
Cash outflow from operating activities:			
Net cash used in operating activities	A	(1,150,695)	(1,192,737)
Cash inflow from investing activities			
Dividends and interest from investments		362,118	420,172
Sale of investments		500,000	2,500,000
Purchase of fixed assets		(369,844)	(83,590)
Net cash provided by investing activities		492,274	2,836,582
Change in cash and cash equivalents in the year		(658,421)	1,643,845
Cash and cash equivalents at 1 April 2021	B	2,564,854	921,009
Cash and cash equivalents at 31 March 2022	B	1,906,433	2,564,854

Notes to the cash flow statement for the year to 31 March 2022.

A Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(370,369)	1,618,710
Adjustments for:		
Depreciation charge	138,809	183,986
Gains on investments	(651,943)	(2,496,624)
Dividends and interest from investments	(362,118)	(420,172)
Decrease (increase) in debtors	9,145	(133,960)
Increase in creditors	85,781	55,323
Net cash used in operating activities	(1,150,695)	(1,192,737)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	856,640	1,022,420
Cash held by investment managers	1,049,793	1,542,434
Total cash and cash equivalents	1,906,433	2,564,854

Principal accounting policies Year to 31 March 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2022 with comparative information provided in respect to the year ended 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ legacy recognition; and
- ◆ estimating future inflows and outflows for the purpose of assessing going concern

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. At 31 March 2022 the charity had net current liabilities of £505,821 (2021 – £245,114). However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2023, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy section of the trustees' report for more information).

Income

Income is recognised in the year in which the Home is entitled to receipt thereof, the amount can be measured reliably, and it is probable that the funds will be received.

Legacies are included in the statement of financial activities when the Home is advised by the personal representative of an estate that payment will be made, or property transferred, and the amount involved can be quantified.

Donations are recognised when the charity has confirmation of both the amount and settlement date.

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

Fees from medical and nursing services are recognised when the service has been provided.

Income from the Government's Coronavirus Job Retention Scheme, and other Government COVID-19 related grants, is recognised when the charity has made a valid claim for the income, the amount can be measured and when it is entitled to receive the income.

Expenditure and the basis of apportioning costs

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, 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 includes attributable VAT which cannot be recovered.

The majority of costs are directly attributable to specific activities. Support costs are allocated to expenditure on raising funds and charitable activities according to underlying activity levels. These were established using a number of suitable indicators including staff time and floor space.

Expenditure and the basis of apportioning costs (continued)

Expenditure comprises the following:

- a. Expenditure on raising funds includes the salaries, direct costs and support costs associated with generating donated income and the fees paid to investment managers in connection with the management of the Home's listed investments.
- b. Expenditure on charitable activities comprises expenditure on the Home's charitable purposes as described in the report of the Board of Trustees and includes support costs.

Tangible fixed assets

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings. The buildings were insured on a replacement basis for £37m at 31 March 2022 (at 31 March 2021 – £36m).

All assets costing more than £5,000 are capitalised. Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

♦ Freehold buildings	4% on cost
♦ Water Tank	10% on cost
♦ Hospital and catering equipment	20% on cost
♦ Office furniture and equipment	20% on cost
♦ Computer equipment	20% on cost
♦ Transport	20% on cost

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are credited (or debited) in the statement of financial activities in the year in which they arise.

Principal accounting policies Year to 31 March 2022

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Endowment Funds comprise monies donated which are not to be expended. Only the income can be used for the charitable objectives of the Home.

Restricted Funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Designated Funds comprise monies set aside out of unrestricted general funds and designated for specific purposes, although the Board of Trustees may ultimately use such funds for other purposes.

The General Fund comprises those monies which are freely available for application towards meeting the charitable objectives of the Home at the discretion of the Board of Trustees.

Pension costs

From 1 April 2014, British Home is operating a defined contribution scheme. Contributions are recognised in the statement of financial activities when payable.

1 Donations and legacies

	Unrestricted £	Restricted £	2022 £
Donations inclusive of reclaimed tax	159,224	—	159,224
Legacies	130,669	—	130,669
Total 2022	289,893	—	289,893

	Unrestricted £	Restricted £	2021 £
<i>Donations inclusive of reclaimed tax</i>	<i>45,674</i>	<i>—</i>	<i>45,674</i>
<i>Legacies</i>	<i>526,842</i>	<i>—</i>	<i>526,842</i>
<i>Total 2021</i>	<i>572,516</i>	<i>—</i>	<i>572,516</i>

2 Investment income

	Unrestricted funds	
	2022 £	2021 £
Sarasin – CIF ALPHA fund units	184,147	225,583
COIF – Investment fund income units	177,895	194,002
	362,042	419,585
Interest receivable	76	587
Total 2022	362,118	420,172

3 Income from charitable activities

Income from charitable activities comprises fees from medical and nursing services and is unrestricted.

4 Other Income

	Unrestricted funds	
	2022 £	2021 £
Social Care Infection Control Fund (ICF)	—	190,736
Coronavirus Job Retention Scheme (CJRS)	—	131,479
COVID-19 Sustainability Payment	303,638	43,625
Coronavirus Statutory Sick Pay (SSP)	—	4,091
	303,638	369,931

5 Expenditure on raising funds

	Unrestricted funds	
	2022 £	2021 £
Advertising and agency fees	—	1,275
Other costs (including staff costs)		
. Direct costs	145,477	80,896
. Support costs	45,037	41,971
	190,514	124,141

6 Expenditure on charitable activities

	Unrestricted £	Restricted £	2022 £
Medical and nursing services			
. Direct costs	4,146,226	—	4,146,226
. Support costs	2,474,241	—	2,474,241
	6,620,467	—	6,620,467

	Unrestricted £	Restricted £	2021 £
<i>Medical and nursing services</i>			
. Direct costs	3,973,065	—	3,973,065
. Support costs	2,401,092	1,000	2,402,092
	6,374,157	1,000	6,375,157

7 Analysis of support costs

	Raising funds £	Charitable activities £	2022 £
Staff costs	20,252	772,639	792,891
Administration	7,661	226,017	233,678
Housekeeping – fuel & rates	2,285	188,117	190,402
Housekeeping – other	10,234	770,268	780,502
Depreciation	968	137,840	138,808
Repairs & maintenance	—	138,904	138,904
Insurance	1,092	89,910	91,002
Other costs	1,475	62,456	63,931
Governance costs	1,070	88,090	89,160
Total support costs	45,037	2,474,241	2,519,278

7 Analysis of support costs (continued)

	<i>Raising funds</i> £	<i>Charitable activities</i> £	2021 £
<i>Staff costs</i>	20,084	789,619	809,703
<i>Administration</i>	5,346	149,758	155,104
<i>Housekeeping – fuel & rates</i>	2,101	172,992	175,093
<i>Housekeeping – other</i>	10,110	812,952	823,062
<i>Depreciation</i>	1,717	182,269	183,986
<i>Repairs & maintenance</i>	—	125,839	125,839
<i>Insurance</i>	1,004	82,658	83,662
<i>Other costs</i>	1,187	51,122	52,408
<i>Governance costs</i>	422	34,783	35,205
<i>Total support costs</i>	41,971	2,402,092	2,444,063

Included within governance costs is auditor's remuneration of £24,300 (2021 – £28,800) and £15,000 (2021 – £nil) for professional fees related to the preparatory work for the proposed development of the new care facility which has been aborted and replaced with a plan for refurbishment.

8 Staff costs

	2022 £	2021 £
Wages and salaries	3,266,091	3,368,244
Social security costs	322,318	322,663
Pension costs	182,784	187,845
Redundancy costs	—	14,044
	3,771,193	3,882,795

The number of full-time equivalent employees during the period who earned over £60,000 in the year is as follows:

	2022 Number	2021 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	1	1
£80,001 - £90,000	—	1
£90,001 - £100,000	1	1

The average number of employees analysed by function was:

	FTE* 2022	Head Count 2022	FTE* 2021	Head Count 2021
*Full time Equivalent				
Nursing and care	89	106	89	111
Maintenance	3	7	3	5
Reception and portering	3	5	4	5
Management and administration	11	14	11	11
	106	132	107	132

Catering, cleaning and laundry are outsourced, but with staff dedicated to British Home. Average numbers of catering and cleaning staff during the year were FTE 13 / Head Count 21 (2021 FTE 14 / Head Count 20).

8 Staff costs (continued)***Remuneration of key management personnel***

No trustee received any remuneration in respect of their services during the year. No trustees were reimbursed for travel expenses in the year (2021 – £nil).

During the year, the total remuneration, including pension contributions and employer's national insurance contributions, of key management personnel was £299,800 (2021 – £312,846).

9 Related party transactions

No member of the Board of Trustees nor any officer of the Home had any beneficial interest in any contract with the Home during the year.

The Home has purchased insurance to protect it from any loss arising from any neglect or defaults of any member of the Board of Trustees or employee and to indemnify any Board Member or employee against the consequence of any neglect or default on their part. The total cover provided by such insurance is £2,000,000 (2021 - £2,000,000) and the insurance premium paid by the Home during the year totalled £1,581 (2021 – £5,600).

Donations from trustees totalled £140 (2021 – £190).

10 Taxation

British Home and Hospital for Incurables is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold building £	Hospital equipment £	Computer equipment £	Transport £	Total £
Cost					
At 1 April 2021	3,330,177	177,065	108,508	15,980	3,631,730
Additions	324,589	40,215	5,040	—	369,844
At 31 March 2022	<u>3,654,766</u>	<u>217,280</u>	<u>113,548</u>	<u>15,980</u>	<u>4,001,573</u>
Depreciation					
At 1 April 2021	3,195,522	35,211	55,986	6,392	3,293,111
Charge for the year	80,672	33,239	21,702	3,196	138,809
At 31 March 2022	<u>3,276,194</u>	<u>68,450</u>	<u>77,688</u>	<u>9,588</u>	<u>3,431,920</u>
Net book values					
At 31 March 2022	<u>378,572</u>	<u>148,830</u>	<u>35,860</u>	<u>6,392</u>	<u>569,654</u>
At 31 March 2021	<u>134,656</u>	<u>141,853</u>	<u>52,521</u>	<u>9,588</u>	<u>338,618</u>

11 Tangible fixed assets (continued)

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings.

12 Investments

Investments held at 31 March 2022 comprised the following:

	Investment property £	Listed investments £	2022 £
Market value at 1 April 2021	350,000	12,599,428	12,949,428
Disposals at opening book value	—	(500,000)	(500,000)
Net gains	—	651,943	651,943
Market value at 31 March 2022	350,000	12,751,371	13,101,371
Cash held by investment advisors for re-investment	—	1,049,793	1,049,793
Total investments	350,000	13,801,164	14,151,164
Historical cost of investments at 31 March 2022	—	8,713,910	8,713,910

	Investment property £	Listed investments £	2021 £
Market value at 1 April 2020	350,000	12,602,804	12,952,804
Disposals at opening book value	—	(2,500,000)	(2,500,000)
Net gains	—	2,496,624	2,496,624
Market value at 31 March 2021	350,000	12,599,428	12,949,428
Cash held by investment advisors for re-investment	—	1,542,434	1,542,434
Total investments	350,000	14,141,862	14,491,862
Historical cost of investments at 31 March 2021	—	8,761,441	8,761,441

The investment property is a share in land held on behalf of five charities.

13 Debtors

	2022 £	2021 £
Fee debtors	367,843	244,800
Prepayments and accrued income	203,198	335,386
	571,041	580,186

Prepayments and accrued income at 31 March 2022 include legacies of £109,000 (2021 – £233,000).

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	212,230	122,019
Amounts held on behalf of residents	58,039	45,458
Accruals and deferred income	479,204	468,520
Social security and other taxation	160,627	167,465
Other creditors	245,402	266,258
Liability on withdrawal from pension scheme	778,000	778,000
	1,933,502	1,847,720

Note: A corresponding asset for residents' monies is included in cash at bank (see note 21).

Included above is deferred income which relates to income receivable in 2021/22 which can be analysed as follows:

	2022 £	2021 £
Deferred income brought forward	195,639	158,816
Deferred in the year	162,844	195,639
Released in the year	(195,639)	(158,816)
Deferred income carried forward	162,844	195,639

15 Operating lease commitments

At 31 March 2022, the Charity had the following total commitments under operating leases on plant and machinery as follows:

	2022 £	2021 £
Amounts payable:		
Within one year	4,281	4,281
In two to five years	4,281	8,562
	8,562	12,843

16 Endowment fund

	2022 £	2021 £
The D.O. Beale Trust	12,477	12,477

17 Restricted fund

In the year to 31 March 2022 the charity received no restricted funds (2021 – none).

18 Designated funds

The income funds of the Home include the following designated funds which have been set aside out of unrestricted funds by the Board of Trustees for specific purposes:

	At 1 April 2021 £	Released/ added in year £	New designations £	At 31 March 2022 £
Tangible fixed assets fund	338,618	231,036	—	569,654
Continuity of Care fund	5,900,000	—	—	5,900,000
Major and Cyclical Maintenance fund	2,000,000	(12,100)	12,100	2,000,000
	8,238,618	218,936	12,100	8,469,654

	At 1 April 2020 £	Released/ added in year £	New designations £	At 31 March 2021 £
Tangible fixed assets fund	439,014	(100,396)	—	338,618
Continuity of Care fund	5,900,000	—	—	5,900,000
Major and Cyclical Maintenance fund	2,000,000	—	—	2,000,000
	8,339,014	(100,396)	—	8,238,618

Tangible fixed asset fund

An amount equivalent to the net book value of tangible fixed assets at the end of the year is designated to recognise that they are not available for general use as they are not readily realisable.

Continuity of care fund

This fund has been established to meet the charity's obligations to provide essential services for all parties in the event of a critical incident.

Major and cyclical maintenance fund

This fund has been established as the charity operates from an old Victorian building which is both expensive to maintain and occasionally requires costly unplanned major repairs to the buildings infrastructure.

19 Analysis of net assets between funds

	Endowment fund £	Designated funds £	General fund £	Total 2022 £
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	—	569,654	—	569,654
Investments	12,477	7,900,000	6,238,687	14,151,164
Current assets	—	—	1,427,681	1,427,681
Creditors: amounts falling due within one year	—	—	(1,933,502)	(1,933,502)
Total net assets	12,477	8,469,654	5,732,866	14,214,997

19 Analysis of net assets between funds (continued)

	<i>Endowment fund £</i>	<i>Designated funds £</i>	<i>General fund £</i>	<i>Total 2021 £</i>
<i>Fund balances at 31 March 2021 are represented by:</i>				
<i>Tangible fixed assets</i>	—	338,617	—	338,617
<i>Investments</i>	12,477	7,900,000	6,578,944	14,491,862
<i>Current assets</i>	—	—	1,603,048	1,602,608
<i>Creditors: amounts falling due within one year</i>	—	—	(1,847,720)	(1,847,720)
<i>Total net assets</i>	<u>12,477</u>	<u>8,238,617</u>	<u>6,334,272</u>	<u>14,585,366</u>

20 Pension commitments

The Home operated a defined benefit pension scheme providing benefits based on final pensionable pay until 31 March 2014. The defined benefit pension scheme closed to new members and future accrual as at 31 March 2014. The most recent triannual valuation of the scheme was at 1 April 2016.

In February 2018, after seeking advice from their advisors KPMG, the trustees took the decision to buyout of the scheme and a total liability of approximately £1,788,000 crystallised. During 2018 £1,010,000 was paid and the amount outstanding at 31 March 2022 is £778,000. The estimated liability is based on information provided by the trustees' professional advisors and Aviva, the insurers.

The Federated Flexiplan No.1 ("the Plan") is a defined benefit pension scheme. It is a "last man standing scheme" which means that all participating employers are joint and severally liable for the Plan's liabilities. However, because of the non-associated multi-employer nature of the Plan, the charity does not have sufficient information available (in particular to identify its share of the underlying assets and liabilities of the Plan) to use defined benefit accounting. As such and as permitted by FRS 102, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount recognised in the statement of financial activities represents the charity's contributions payable to the Plan in respect of the accounting period.

Members of the Plan are entitled to benefits on either a "Pensions Capital" or "Target Pension" basis. Under the Pensions Capital basis, contributions paid by and in respect of members are accumulated up to retirement and then used to secure benefits for the member. Under the Target Pension basis, members receive a defined pension at retirement based on length of service in the Plan and their Pensionable Salary at date of leaving. The Plan is closed to new members and to future accrual of benefits.

21 Cash at bank

Cash at bank of £856,640 on 31 March 2022 (2021 – £1,022,420) includes £58,039 held on behalf of the residents of the Home (2021 – £45,458). A corresponding liability for these monies is included in creditors (note 14).

Accounts

**British
Home and
Hospital for
Incurables**

**Report and Financial Statements
for the year to**

31 March 2021

Charity Registration Number
206222

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Reference and administrative details

Patron	Her Royal Highness Princess Alexandra
Honorary President	Professor, The Lord McColl of Dulwich
Chair	Mrs Kay Sonneborn BA
Deputy Chair	Mr David Green MA (Cantab)
Board of Trustees	Mrs Patricia Collinson, Dip NUR, RNT Mr Kenneth Dunn MA, DipMS Ms Alison Hughes RN, MHSM Mrs Rowenna Hughes GradDip MCSP, SRP Mr James Mill TD, CA Mr Derek Prentice Ms Rebecca Sycamore Ms Jane Fisher
Chief Executive Officer to the Board	Mr Paul Perkin
Director of Care and Development	Mr Keith Crowhurs, RN
Director of Finance and Resources	Mrs Natasha Charles-Lewis, ACMA
Address	Crown Lane Streatham London SW16 3JB
Website	www.britishhome.org.uk
Charity registration number	206222
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative details

Investment advisors	CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ
	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London, EC4M 8BU
Bankers	Barclays Bank plc Clapham Common Group PO Box 4038 London, SW12 9YB
Legal advisers	Hempsons 40 Villiers Street London, WC2N 6NJ
Property advisers	Avison Young 65 Gresham Street London EC2V 7NQ

Report of the Board of Trustees Year to 31 March 2021

The Board of Trustees ('the Board') presents the statutory report and financial statements of British Home and Hospital for Incurables ('British Home') for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out on pages 28 to 31 and comply with British Home's Charter of Incorporation and Regulations, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

A Note from our Chair

I must begin by thanking our staff, who have worked relentlessly through another difficult year to continue to provide the best care, support and hope to our residents and their families. A vast amount of knowledge and skills have been acquired because of the pandemic, and it has presented a huge learning curve to provide even greater clinical understanding for our residents. Nevertheless, it has been a difficult, and stressful time for all.

Our thanks also go to British Home's residents, their relatives and visitors. The pandemic brought limited ability for visits, which have been so important in bringing cheer and comfort amid a forever-changing landscape of what was and wasn't possible during ever-evolving levels of restrictions.

Ever since March 2020, when normal operations across the country were suspended so abruptly, British Home has strived to embrace this new environment, in order to keep our residents connected with their loved ones. A pivot to video 'visits' was just one of the ways we did this. Throughout the challenging period, we looked at every way to enhance our team's capabilities to keep links with the Home, and lines of communication thriving throughout all lockdowns. We did everything we could to keep our charity open and as available as possible to families and friends of the residents.

The Board and its subcommittees continued meetings virtually, including regularly to meet with staff during 2020 and 2021. It was crucial for the Board and staff to continue their strong relationship, and to be able to communicate in both directions for the benefit of British Home and all its people.

The early period of the pandemic also brought many more difficulties, particularly in the first months, such as shortages of Personal Protective Equipment (PPE), testing, as well as having to furlough staff, and protect team members who were vulnerable. Thankfully, these challenges have subsided.

There are 80 beds at our Home, and many potential residents seeking to be admitted to them. Our residents experience a range of conditions and challenges, and their needs are ever growing. This is precisely why expanding our rehabilitation and reablement programmes, is key to our vision and strategic programme, so that we can offer more clinical and therapeutic assistance to those who need it.

This progress was stalled in the first six months of 2020. However, we were determined to ensure our ambitions could and would be achievable, not only for our current residents, but the ones we are yet to welcome in the future.

A Note from our Chair (continued)

Our wish, and our vision for British Home, is one which receives recognition of its clinical and therapeutic strength within our incredible building in Streatham, which is sustainable, maintained and always looks forward to progress. We intend, after our first phase of our programme has been achieved, to look at a particular part of the building which has required attention for a number of years, in order to bring it back to life.

We envisage it as functional space where residents both old and new can enjoy, particularly those who may have the ability to become more independent with assistance if required from our staff. These are ambitious plans, and we recognise this, which is why we are keen to gather momentum quickly in order to ensure their success.

To achieve these plans will also need us to think of the financial aspect of such ambition, both in the investing of staff and the investment in buildings. Our reserves were depleted in 2020 and 2021 due to the necessity to invest in keeping our staff and residents safe during the pandemic. Our current funds will assist in our programme, but we will be continuing to seek external financial resources through fundraising for capital projects and other initiatives.

In 2019 we looked at the Governance of our charity and recognised that our newly adopted 'Terms of Service' would have a board that in 2022 and 2023 will see half of our trustees retiring. Succession planning, diversification and bolstering skill sets are key to reflecting the needs of a neuro-disability charity. For this reason, we will soon start a recruitment campaign to find new trustees, to reflect the needs of our charity. We have welcomed a new trustee in July of this year who is not only a local resident, but brings to the board added financial, strategic and governance skills, which will be needed for the ambitious programme we have ahead.

The Board recognises that without the dedication, commitment, and knowledge of our staff, including our executive team and our volunteers, we would have had great difficulty in 2020 and 2021 in providing the service, care and wellbeing that is needed for our residents. We must thank them all.

We can, and we will continue to offer more with every year and look forward to a brighter future for our residents and everyone who is part of British Home.

The Charity Board of Trustees is



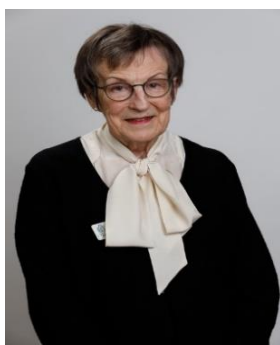
Chair: Kay Sonneborn

Kay was an investment analyst for a US investment bank for many years. She has been involved with the charity and health sector for over 30 years and has held senior non-executive roles in the NHS. Kay was Chair for ten years of the largest Primary Care Trust in London.



Deputy Chair: David Green

David worked in Merchant banking before a long involvement with the charitable sector in London, firstly as Finance Director of the London Voluntary Service Council and subsequently as Chief Executive for the Cripplegate Foundation and the St Luke's Parochial Trust, allocating millions of pounds in grants to projects in Islington.



Patricia Collinson

Patricia has spent her career in nursing and nurse education with experience of both the NHS and Government work. Her last post before retirement was Nurse Director for the Medical Devices Agency, Department of Health. Since then she has worked as an Expert Nurse Witness and as an Editorial Consultant. She has been a Trustee of the Crossroads Caring for Carers Association.



Kenneth Dunn

Kenneth Dunn joined the Board of Trustees in December 2014. Kenneth has some 30 years of social care experience. He has a broad knowledge of the care industry and government policies and procedures regulating care.

Composition of the Board of Trustees (continued)



Alison Hughes

A nurse and midwife with 36 years' experience, Alison trained at University College Hospital before moving to Oxford and then Australia to practice. She spent four years overseas before joining the cardiac unit at St George's Hospital Tooting, moving from Sister to Head of Nursing and finally Divisional Director of Nursing and Governance. Alison retired from the NHS in 2015 and currently works part time on a consultancy basis.



Rowenna Hughes

Rowenna trained as a physiotherapist at Guy's Hospital and went on to specialise in working with disability. For thirty years she managed a team of physiotherapists at King's College Hospital working with young adults and children with disabilities and then served as Staff Governor on the Council for Governors at KCH NHS Foundation Trust. Rowenna is Chair of the Friends of KCH. She was awarded an MBE in 2012 for her work in the field of disability.



James Mill

James worked in oil and gas exploration for much of his career, operating in Libya, Pakistan and Canada amongst other places. For the last ten years of his working life he was Finance Director of the Royal Star & Garter Home, a 180-bed nursing home and military charity in Richmond, and consequently has extensive experience of the challenges facing charities like British Home.



Derek Prentice

Derek spent the majority of his career in consumer affairs, spending over twenty years with Consumers' Association (Which?) and serving as the President of the European Consumers Organisation BEUC. Derek is a Council Member and Trustee of the Royal College of Emergency Medicine and Chairs its Lay Group. Derek has been the Vice Chair of the Lay Group of the Academy of Royal Medical Colleges, the Chair and Lay Member of the General Dental Council and a Trustee of King's College Hospital.

Composition of the Board of Trustees (continued)



Rebecca Sycamore

Rebecca has considerable experience of Director level posts within large charities. She is currently Executive Director of Development at the homelessness charity and Housing Association, St Mungo's where she has responsibility for fundraising, communications and marketing, business development and strategic asset management. She has also been a specialist social worker, helping homeless people experiencing mental health problems for the London Borough of Ealing, as well as holding positions with Crisis and Homeless Link



Jane Fisher

Jane has worked in the NHS for over thirty years, starting as a nurse with a special interest in trauma. After twenty years on the front line, she moved into NHS management and now manages the North West London Renal and Transplant Service (the largest such unit in Europe). Jane is passionate about healthcare and has a strong commitment to delivering equality and diversity.

Tom Walker

At its meeting in July 2021 Trustees agreed to appoint Mr Tom Walker to the Board of British Home. Tom is currently Co-Head of Global Listed Real Assets for Schroders.

Board Responsibilities Statement

The charity's trustees are responsible for preparing the report and financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice. Charity law requires the Board, as trustees, to prepare financial statements which give a true and fair view of the financial activities of British Home during the year and its financial position at the end of the year. In preparing the attached financial statements, the Board is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;

Board Responsibilities Statement (continued)

- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that British Home will continue to operate.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of British Home and which enable it to ensure that the financial statements comply with the Charities Act 2011. The Board is also responsible for stewarding the assets of British Home and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Structure, governance and management

British Home was granted a Royal Charter on 1 November 1899. It is governed by a Charter of Incorporation and Regulations (revised 8 January 2009) and is a registered Charity (No. 206222). Responsibility for British Home rests with the Board who are the trustees of the charity for the purposes of charity legislation.

British Home is regulated by the Charity Commission, by the Care Quality Commission (CQC) and, as a Royal Charter Company, by the Privy Council.

The Board met 5 times in the year to 31 March 2021 and more informally on a number of occasions to discuss British Home's future strategy. At 31 March 2021 the Board comprised 10 members who held office throughout the year.

No member of the Board received any remuneration for services as a member of the Board.

Board Committee Structure

The Board continues to review its governance committee structure annually, to ensure that it remains fit for purpose and responsive to emerging, strategic opportunities and risks. At its meeting on the 13 of May 2020 the Board completed a formal review of its governance structure including the terms of reference for each of its sub-committees and their alignment with those objectives included in the charity's 5-year strategy.

Care Governance Committee

The Care Governance Committee provides assurance to the Board by having Trustees with relevant health and social care experience to review the provision of care in the Home, and to offer support and counsel to the Director of Care in this regard. The Care Governance Committee maintains oversight of British Home's clinical practice and care provision including quality assurance, safe practice and regulatory compliance. At its meeting in May 2021 the Care Governance Committee agreed a new suite of strategic performance indicators which support the charity's aspiration to become a Specialist Level-2 Neuro-rehabilitation provider.

Structure, governance and management (continued)

Finance Committee

The Finance Committee has delegated responsibility from the Board to oversee all financial aspects of the Charity's operations including the Charity's investment strategy and appointment of its Investment Managers. The Finance Committee also has responsibility for British Home's human resources, building and maintenance services, as well as the development of the Charity's IT and digital strategy. The Finance Committee continues to set annual targets to reduce the current deficit and achieve an annual operational surplus. The Board retains overall responsibility and authority for all financial matters regarding British Home's finances and investments. In April of this year, the Finance Committee oversaw the development of a new Financial Sustainability Plan which is intended to eliminate the operational deficit over the next three years. This plan was approved and adopted by the Board at its meeting in May 2021 and will focus on levelling-up care fees for those residents whose costs are not fully met by commissioners.

The Redevelopment Oversight Committee

Following a decision to terminate its earlier agreement with a development partner to build a new care facility on the existing site of the British Home, the Board agreed at its meeting in December 2019 to preserve and re-purpose the charity's existing buildings. This will involve a large refurbishment of the existing site and retention of all the original architectural features of the Victorian building, while creating a more modern environment with the infrastructure to support new technologies and rehabilitation equipment.

The Board have agreed the terms of reference for a new Redevelopment Oversight Committee, which will oversee the design and completion of the refurbishment of British Home. Next year this Committee will commission a feasibility study to agree the design options and costs for the redevelopment project. Following this, the Redevelopment Oversight Committee will recommend a final design and phased programme of works to be adopted by the Board. The redevelopment of the British Home will be funded through a combination of the charity's reserves and a major capital fundraising campaign.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee was reformed in 2018 to oversee the balance and effectiveness of the Board, including the appointment of new Trustees. The Remuneration and Nominations Committee is also responsible for the remuneration of the executive management team of the Charity. In July of this year, the Remuneration and Nominations Committee recommended the appointment of Mr Tom Walker to the Board.

Trustee recruitment, induction and training

The Board annually reviews the mix of skills and experience of its members and seeks new trustees where particular skill gaps are identified. New trustees are offered an individually tailored induction programme to familiarise themselves with all aspects of the charity's work, legal and statutory responsibilities including all relevant regulatory requirements determined by the Charity Commission. Over the next year, the Remuneration and Nominations Committee will begin a recruitment process to support the Board's succession planning, as several Trustees approach the end of their fixed tenures. As part of this process, the Board

Structure, governance and management (continued)

Trustee recruitment, induction and training (continued)

will seek to increase the diversity of its membership to ensure that it remains reflective of British Home's residents, staff and wider community.

The Board is regularly updated on all key operational and clinical developments within the Home and each Trustee participates in the monthly Board visitor programme where they can hear first-hand from residents, staff and families about the quality of service being provided.

Management of British Home

The key management personnel of British Home, responsible for directing and controlling the operations of the charity comprises the Board of trustees, the Chief Executive Officer, the Director of Care and Development and the Director of Finance and Resources.

Mr Paul Perkin (BA Hons) is the Chief Executive Officer of British Home. Paul took up this post in April 2017. Paul has over twenty years' experience within the social care and housing sector. Paul holds a BA Hons degree in Urban Policy Studies from Lancaster University and has a long track record of campaigning and advocating on the behalf of society's most vulnerable people. Paul is also Chair of the Board of Evolve Housing and Support a London based homelessness charity.

Mr Keith Crowhurst RN (MSc) is the Director of Care and Development. Keith took up this role with effect from May 2017 to support British Home in its ambition to deliver new innovation and models of care for people with neurological conditions. Keith was previously the Home Manager. Keith is a registered nurse and an experienced care home manager with qualifications in the leadership and management of care services. Keith holds an MSc. from University College London and has written and lectured on care matters. The Director of Care is supported by a Registered Manager and three Clinical Leads to maintain our high standard of nursing care and rehabilitation services.

Mrs Natasha Charles-Lewis ACMA (MSc) is the Director of Finance and Resources at British Home. Natasha took up this role in September 2019. Natasha has over sixteen years' finance experience within the healthcare and charitable sector. Natasha is an associate member of the Chartered Institute of Management Accountant and holds a further degree in strategic business management.

Aims Objectives and Strategy

British Home provides specialist nursing care, rehabilitation and social support to adults with a neuro-disability. This will typically include people living with severe impairment often as a result of brain injury, stroke or through a degenerative illness. We work with each of our residents to tailor a holistic and bespoke package of care and support, enabling them to live as full and independent lives as possible. British Home also provides end of life care for disabled people, ensuring that dignity, comfort and choice remain at the heart of all that we do.

Aims Objectives and Strategy (continued)

British Home is registered to look after a maximum of 127 residents; however, in 2013 the Board agreed to decommission 49 beds to achieve a more optimum operational capacity of 78 beds, and to ensure that all available accommodation continues to meet our aspirational standards. In 2019, a further three respite beds were re-commissioned due to an increased demand for this provision in the last year. Average occupancy over the year on this basis was 86% or 69 residents (2020 – 99% or 80 residents).

In 2019, the Board agreed its 5-year strategy, with a central aim to build upon its experience and become a specialist provider of neuro-disability rehabilitation. Over the next three years of its current strategy, the Board will continue to invest charitable income to develop British Home into a centre of excellence for specialist rehabilitation, in line with The British Society of Rehabilitation Medicine (BSRM) standards. In doing so, we will enable more people to manage their disability and illness more effectively, with an emphasis on increased independence, pain relief and greater enjoyment of life (including those approaching end of life).

COVID-19

At the outset of the pandemic, British Home implemented its business continuity plan to protect its most vulnerable residents from the virus. This was against a backdrop of a national shortage of Personal Protective Equipment and a reduced workforce, as symptomatic and vulnerable staff were required to self-isolate. Despite these challenges, our staff have continued to carry out their duties with great courage and resilience and the Board remain grateful for their unwavering commitment in these difficult times. We have also been greatly encouraged by the support and generosity of many partner organisations and members of our local community. It is through the support of our donors and volunteers that we can remain resilient and continue providing much needed care and support during these challenging times.

Public benefit

In setting the charity's objectives the trustees have given careful consideration to the Charity Commission's guidance on public benefit. The Board believes that British Home continues to meet the Charity Commission's public benefit test principally in that the majority of residents in British Home have for many years benefited from the availability of statutory funding. The charity subsidises the running cost of British Home and provides a range of additional rehabilitation and social support to residents from its own charitable funds.

Aims Objectives and Strategy (continued)

Personalised Support

At British Home, we recognise that each resident is an individual and that they and their families will often provide the greatest insight into how our staff can best meet their care needs. New residents arriving at British Home are assessed by a multi-disciplinary team comprising of clinical staff and therapists to ensure that all resident needs are provided for and in particular, that they receive the appropriate service offer commensurate with their individual needs. Wherever possible we aim to work with residents and their families to develop personalised care plans, ensuring that they direct and control the care they receive. Over the next year we will continue to train and develop all our nursing and care staff in rehabilitation support, which will ensure greater integration of each resident's individual therapy and treatment plans across all aspects of their daily care, where relevant. We continue to work with residents receiving palliative care to develop a personal end of life care plans. Last year 100% of residents had an agreed end of life plan in line with their personal wishes.

End of Life Care Gold Standard Framework

In January 2020, British Home underwent re-accreditation with the Gold Standard Framework for its End of Life Care. Trustees were delighted that the Charity was awarded the Platinum Care Hallmark in recognition of its high quality and person centred, End of Life support. British Home's End of Life Care is delivered through a multi-disciplinary team that brings together nurses, therapists and other professionals involved in a resident's care under the direction of our Director of Care and Home Manager. All residents, for whom it is appropriate, are supported to develop an End of Life Care Plan, to direct the support and care they receive from British Home.

Risk management

The Board regularly reviews the potential major risks to the charity and undertakes a formal risk audit each year to identify any additional risks that the charity may be exposed to and to ensure that adequate control measures are in place to mitigate identified risks. To protect the assets of the charity, British Home maintains a comprehensive suite of insurance policies.

The Board consider the 'failure to reduce its operational deficit' as its key strategic and operational risk, given that this would have a detrimental impact on the future sustainability of the Charity and the well-being of its residents. The Charity's 5-year strategy will see British Home transition from a traditional nursing care model to that of a specialist provider of neuro-disability nursing care and rehabilitative support. This will ensure that care fees are more commensurate with residents' support needs and that the Charity is not required to subsidise the costs for those residents who do not require the level of specialist nursing and support provided within the Home.

Given the unique challenges posed by the recent COVID -19 pandemic, it has been necessary to revise the Charity's business continuity plan to ensure the well-being and safety of all who live and work at British Home. It is expected that COVID-19 will continue to effect life at British Home for some time to come. A primary focus of the Board's risk management plan will be to ensure that those measures intended to manage infection control are effective and in line with the most recent advice and guidance available.

Aims Objectives and Strategy (continued)

Volunteers

Volunteers at British Home make a positive difference to the lives of residents at British Home through their involvement in a wide range of activities including rehabilitation support, recreational activities, befriending and fundraising.

The pandemic had a significant impact on the charity's volunteer support due to government restrictions. From the outset of the pandemic, we were unable to host our volunteers or events at British Home. However, with the support of PRS for Music Foundation and others over that time, we were able to hold online events for residents including concerts, quiz nights and virtual fundraising activities. Since the easing of lockdown restrictions this year, we have been able to welcome volunteers and visitors back into British Home. In September we hosted a summer event for all our residents, families, and staff to celebrate us being able to come together as one community for the first time since lockdown. The Board remain grateful to our volunteers who contributed to this event, as well as the continued support of Fitzgerald Orchestra who provided such wonderful music on the day.

British Home places significant value in the views and contributions of its community of resident's families and carers. The Charity offers a variety of ways for families and carers to have their say on how care and support is delivered at British Home, recognising their role as advocates and experts in how their loved ones are cared for. Over the last year, families and carer's views were heard through online quarterly families and carer's meetings as well as through our annual family and carer surveys.

Activities and social engagement

Over the pandemic, we have continued to provide a range of stimulating activities for all our residents. Although these were limited at the beginning of the year, for the purposes of resident safety, we have since been able to increase the variety and frequency of activities provided in-house. Since lockdown restrictions have eased, we have also been able to support residents to access the wider community and places of interest, while also helping them to resume contact with families and friends.

The Home uses charitable funding to employ an Activities Co-ordinator to work with our residents to design and facilitate a weekly programme of social activities and entertainment. Examples of activities provided include theatre trips, accessible sports events, reflexology and massage, cinema clubs and musical entertainment.

The activities within the Home are provided for both groups and individual residents and there are also specific activities for residents who are otherwise confined to their accommodation as a result of their disability. The management team regularly monitor the uptake of activities to ensure there is parity of access and interest across all residents within the Home.

Aims Objectives and Strategy (continued)

Fundraising

The shortfall in our operating income, as noted earlier, is made up in part from generous donations and legacies bequeathed to the Home. The Board is very grateful to the many individuals and organisations who are loyal supporters of British Home including those who generously remember the Home in their wills. Over the next year, British Home will launch a capital appeal to support the re-development of our existing building and site. We look forward to sharing our plans and vision for the redevelopment of the building with all of our supporters in the coming months.

As a charity registered with the Fundraising Regulator, we are committed to ensuring our fundraising is legal, open, honest and respectful. British Home did not actively pursue donations from individuals and the general public and did not use the services of a professional fundraiser. No complaints were received in relation to how the charity conducted its fundraising activity.

Our Values

All at British Home are committed to upholding our organisational values which have been developed in collaboration with our residents, staff and other stakeholders and partners.

These values inform every aspect of our work, including the care we provide to residents and the way we support our staff to carry out their important roles.

Our Values determine that we:

- ◆ put the individual at the heart of their care.
- ◆ understand that every individual will have their own targets and motivations, and that rehabilitation is a process that people take at their own pace.
- ◆ recognise the advantages that our diversity provides, we will harness the talent and energy of everyone at British Home: staff, volunteers, residents, families and carers.
- ◆ will always act with integrity, openness and honesty.
- ◆ are committed to the highest standards and will embrace innovation and models of best practice.

Our Royal Patron

Her Royal Highness Princess Alexandra has been a patron of the Home since 2002 and has continued to support the Charity's work and continued development since that time. Trustees and staff of British Home are very grateful for the ongoing support they receive from Her Royal Highness.

Financial review

Performance in the year

The operating deficit for the period was £2,240,535 (2020 - £2,327,398) as shown in the table below:

	2021 £	2020 £
Fees	4,258,763	4,178,361
Less: Expenditure	(6,499,298)	(6,505,759)
Operating deficit	(2,240,535)	(2,327,398)
Donations	45,574	93,625
Investment income	420,172	486,112
Other Income	369,931	67,198
Deficit before legacies	(1,404,758)	(1,680,463)
Legacies	526,842	20,894
Net expenditure for the period before investment gains and losses	(877,916)	(1,659,569)

a) *Fees*

Income from fees charged increased by 2% to £4,258,763 (2020 - £4,178,361). The decrease in average occupancy as a result of the current pandemic was augmented by higher fees generated in respect of new admissions with continued focus on attracting specialist needs residents with neurological conditions and a greater emphasis on the charity's therapy provision. As in recent years a very low level of fee increase was awarded and only by a small number of funders putting continued pressure on the charity's resources.

b) *Expenditure*

Expenditure in 2021 decreased by 0.1% to £6,499,298 (2020 - £6,505,759).

Within this total, staffing costs amounted to £3,882,795 (2020 - £3,789,521) an increase of £93,274. British Home staff are the heart of our organisation, whenever possible the Board endeavours to provide a real increase in pay and ensures that staff are paid in line with industry standards.

c) *Fundraising and publicity*

Costs, with allocated support costs, totalled £82,171 (2020 - £144,574). This included costs for the external marketing of British Home to continue raising awareness of British Home and its work, to support its fundraising endeavours.

d) *Donations*

Donations decreased within the last year to £45,674 (2020 - £93,625). The current pandemic impacted on fundraising activities during the year and contributed to the decline in donations received compared to previous years. The charity is thankful for the great support of individual donors and charitable trusts, a number of whom have been loyal supporters of British Home for many years. The Board equally values every contribution regardless of size and is particularly grateful for the dedication of local groups and individuals in helping to fundraise.

Financial review (continued)

Performance in the year (continued)

e) Income

Income from legacies increased within the last year to £526,842 (2020 - £20,894). In line with the legacy income recognition policy, whereby a future legacy receipt is recognised as income provided probate has been granted and eventual receipt is probable, £233,000 (2020 - £nil) has been recognised as income ahead of receipt in cash. Historically the legacy income of British Home has fluctuated and is unpredictable from year to year.

In terms of publicity, the Board's focus over the last year has been to increase awareness of the charity's brand and purpose to a wider audience, specifically as we seek to launch a capital fundraising appeal. Last year the charity engaged the communications agency – Brazil, to support it with external communications and media management. This has resulted in several press opportunities for British Home to showcase its work across a range of media including mainstream television, national newspapers and social media.

Pension Liabilities

The charity previously operated a final salary pension scheme which closed to new members as of 31 March 2014.

The Board engaged KPMG to advise it as to whether measures could be taken to potentially mitigate the liabilities of the scheme and whether securing member' benefits under the scheme through an insurance company buy-out might be an affordable option for British Home. The Board considered that removing at an affordable cost the risk to its reserves represented by an open-ended obligation to fund any future deficits in the scheme would be in the best interests of the charity as a whole.

In February 2018 the trustees decided to withdraw from the scheme and a total liability of approximately £1,788,000 crystallised. This quote also included costs for legal and actuarial fees associated with the buy-out, as well as provision for any unforeseen costs arising from a final data cleansing exercise of the scheme, which will be jointly conducted by Aviva and the scheme's actuary.

The trustees paid over the sum of £1,010,000 on 3 March 2018. There remains a provision in the accounts at the reporting date of £778,000. The data cleansing exercise was still in progress at the reporting date and the provision remains unchanged.

The Board are pleased to have secured a buy-out of the closed defined benefit scheme with an established and reputable insurer such as Aviva. This will ensure greater security in the longer-term for the members of this pension scheme, while removing a significant liability from the charity's balance sheet.

Financial review (continued)

Pension Liabilities (continued)

The replacement to the now closed final salary scheme is a defined contribution Group Personal Pension Plan provided through Royal London. Under this arrangement British Home contributes 10% of pensionable salary while employees contribute 5%. Employees who have not elected to join the GPPP are, if eligible, subject to auto-enrolment at contribution rates set as part of the Government's pension membership initiative.

The Home's Net Assets

The net assets of British Home at 31 March 2021 were £14,585,366 (2020 - £12,966,656). Of these £338,617 (2020 - £439,014) related to fixed assets which were comprised mostly of freehold buildings, which are wholly used for charitable purposes and are represented by a specific designated fund. Fixed asset purchases and disposals during the year are shown in the notes to the financial statements. The net assets also included £12,477 of endowment funds not expendable by the charity. After allowing for further designated funds as described below the general unrestricted funds of the charity at 31 March 2021 were £6,334,271.

Reserves policy and financial position

In determining the level of reserves necessary to continue the work of British Home, the Board balances its long-term obligations and risks with the needs of current beneficiaries. Where there is a capital commitment, a need to generate income for a specific purpose, or a need to ring-fence funds for the future stability of the charity, the Board has established designated funds. COVID- 19 continues to have a significant impact on the charity's reserves and highlights the need to retain an appropriate level of free reserves in order to respond to unforeseen events and to protect the wellbeing of the charity's beneficiaries.

Designated reserves

At the end of the financial year 2020/21 the British Home held £14,491,862 in investments which were otherwise unrestricted and free reserves. These funds were split between general reserves £6,334,271 and £8,238,617 designated funds throughout that year for continuity of care and major and cyclical maintenance. The Board is awaiting costings for the planned redevelopment project which would require a further designation along with capital fundraising to fund the project. The Board has currently made the following designations:

Continuity of Care Fund: The Board of Trustees is conscious of its long-term obligation to the residents in its care, their sponsors and their carers and to balance the needs of current residents with those of the future. The Board believes that the equivalent of 12 months anticipated costs is required to meet its obligations to provide essential services for all parties in the event of a critical incident. The Board has therefore designated £5.9M of its reserves to this fund, to provide for one year's running costs.

Major and Cyclical Maintenance Fund: The British Home operates from an old, Victorian building which is both expensive to maintain and will also occasionally require costly unplanned repairs. Trustees have therefore created a fund to meet the costs of major and cyclical maintenance when the need arises. The Board has therefore designated £2M of its reserves to this fund, in the event that major repairs are required to the buildings infrastructure.

Financial review (continued)

Investment policy and performance

The Home's investment portfolio is spread between direct holdings in the COIF Charity Investment and Fixed Income Funds and the Sarasin Consolidated Alpha Fund for Endowments. The performance of these funds is periodically reviewed by the Board. The Board's objectives are to maximise total return at an acceptable level of risk so as to supplement the Home's income.

The market value of the portfolio at 31 March 2021 was £14,491,862 (2020 - £12,985,863). The value of the Home's investments rise and fall in line with the economic environment and investment market sentiment. The market rallied following the initial impact of COVID-19 pandemic which resulted in an overall gain in the listed investment portfolio of £2,497K, as at 31 March 2021. There is no guarantee that the Home's investments will realise the value as shown in the balance sheet.

Investment income, produced from our investments, amounted to £420,172 (2020 - £486,112). There were net unrealised investment gains of £2,496,626 for the year (2020 - £136,995 losses) reflecting the change in market value of investments since 31 March 2020.

Auditor

Buzzacott LLP, the Home's auditors have indicated their willingness to remain in office for a further year.

Thanks, and acknowledgements

The Board continues to be highly appreciative of the support for the Home shown by commissioners of social care. British Home as an independent charity well understands the cost pressures associated with the provision of social care and hopes that the Board and Commissioners can work together to ensure the ongoing provision of first class, affordable care at Crown Lane long into the future.

The success of British Home as a charity is down to the combined efforts of many individuals and organisations. However, one group clearly stand out as being the bedrock on which the charity stands, and that group is its dedicated and caring staff. The Board would like to say 'thank you' to every member of our staff who 'day in, day out' do a wonderful job in supporting, caring and enriching the lives of the residents of British Home.

Honorary President

The Board would like to thank the Home's Honorary President Professor, the Lord McColl of Dulwich CBE, for lending his support to the Home.

Report of the Board of Trustees Year to 31 March 2021

Royal Patronage

The Board wishes to express its gratitude to our Royal Patron, Princess Alexandra, for her continuing support for the Home.

Approved by the Board of Trustees and
signed on its behalf by:

Kay Sonneborn
Trustee

Approved on : 15/12/2021

Independent auditor's report to the members of British Home and Hospital for Incurables

Opinion

We have audited the financial statements of British Home and Hospital for Incurables (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

How the audit was considered capable of detecting irregularities including fraud

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

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); Care Standards; Health and Safety Regulations; The Code of Fundraising Practice; Safeguarding Regulations; and Data Protection; and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

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

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

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

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

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Assessed controls over the opening of post;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

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

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

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

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

We did not identify any irregularities, including fraud.

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. This description forms part of our auditor's report.

Independent auditor's report Year to 31 March 2021

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of the Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

12 January 2022

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of financial activities Year to 31 March 2021

	Notes	Un-restricted funds £	Restricted funds £	En-dowment funds £	2021 Total funds £	2020 Total funds £
Income from:						
Donations and legacies	1	572,516	—	—	572,516	114,519
Investment income	2	420,172	—	—	420,172	486,112
Charitable activities	3	4,258,763	—	—	4,258,763	4,178,361
Other income	4	369,931	—	—	369,931	67,198
Total income		5,621,382	—	—	5,621,382	4,846,190
Expenditure on:						
Raising funds	5	124,141	—	—	124,141	144,574
Charitable activities	6	6,374,157	1,000	—	6,375,157	6,361,185
Total expenditure		6,498,298	1,000	—	6,499,298	6,505,759
Net (expenditure) for the year before investment losses		(876,916)	(1,000)	—	(877,916)	(1,659,569)
Gains on investments	12	2,496,626	—	—	2,496,626	(136,995)
Net income/(expenditure)		1,619,710	(1,000)	—	1,618,710	(1,796,564)
Transfer between funds		(1,000)	1,000	—	—	—
Net movement in funds		1,618,710	—	—	1,618,710	(1,796,564)
Fund balances brought forward at 1 April 2020		12,954,179	—	12,477	12,966,656	14,763,220
Fund balances carried forward at 31 March 2021		14,572,889	—	12,477	14,585,366	12,966,656

All of the Home's activities are derived from continuing operations during the above financial period.

Balance sheet 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible fixed assets	11		338,618		439,014
Investments	12		14,491,862		12,985,863
			<u>14,830,480</u>		<u>13,424,877</u>
Current assets					
Debtors	13	580,186		446,226	
Cash at bank		<u>1,022,420</u>		<u>887,950</u>	
		<u>1,602,606</u>		1,334,176	
Creditors: amounts falling due within one year	14	<u>(1,847,720)</u>		<u>(1,792,397)</u>	
Net current (liabilities)			<u>(245,114)</u>		<u>(458,221)</u>
Net assets			<u>14,585,366</u>		<u>12,966,656</u>
The funds of the charity:					
Endowment fund	16		12,477		12,477
Restricted funds	17		—		—
Unrestricted funds					
. Designated funds	18		8,238,617		8,339,014
. General fund			<u>6,334,272</u>		<u>4,615,165</u>
			<u>14,585,366</u>		<u>12,966,656</u>

Approved by the Board of Trustees on 15/12/2021 and signed on its behalf by:

Kay Sonneborn
Trustee

Statement of cash flows 31 March 2021

	Notes	2021 £	2020 £
Cash outflow from operating activities:			
Net cash used in operating activities	A	(1,192,737)	(1,350,960)
Cash inflow from investing activities			
Dividends and interest from investments		420,172	486,112
Sale of investments		2,500,000	1,000,000
Purchase of fixed assets		(83,590)	(200,934)
Net cash provided by investing activities		2,836,582	1,285,178
Change in cash and cash equivalents in the year		1,643,845	(65,782)
Cash and cash equivalents at 1 April 2020	B	921,009	986,791
Cash and cash equivalents at 31 March 2021	B	2,564,854	921,009

Notes to the cash flow statement for the year to 31 March 2021.

A Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	1,618,710	(1,796,564)
Adjustments for:		
Depreciation charge	183,986	146,511
(Gains) losses on investments	(2,496,624)	136,995
Dividends and interest from investments	(420,172)	(486,112)
(Increase) decrease in debtors	(133,960)	564,153
Increase in creditors	55,323	84,057
Net cash used in operating activities	(1,192,737)	(1,350,960)

B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,022,420	887,950
Cash held by investment managers	1,542,434	33,059
Total cash and cash equivalents	2,564,854	921,009

Principal accounting policies Year to 31 March 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2021 with comparative information provided in respect to the year ended 31 March 2020.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ legacy recognition; and
- ◆ estimating future inflows and outflows for the purpose of assessing going concern

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The full impact on the charity's income and expenditure and financial position following the emergence of the global Covid-19 pandemic is still unknown. The Covid19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of our control. The impact of Covid19 on our working practices and finances is set out in the trustees' report on pages 3 and 11 and attention is drawn to them.

Assessment of going concern (continued)

Undoubtedly there will be challenges ahead but the trustees do not expect material concerns to arise over the charity's financial position or going concern. The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. At 31 March 2021 the charity had net current liabilities of £245,112 (2020 - £458,221). However, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 March 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy section of the trustees' report for more information).

Income

Income is recognised in the year in which the Home is entitled to receipt thereof, the amount can be measured reliably, and it is probable that the funds will be received.

Legacies are included in the statement of financial activities when the Home is advised by the personal representative of an estate that payment will be made, or property transferred, and the amount involved can be quantified.

Donations are recognised when the charity has confirmation of both the amount and settlement date.

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

Fees from medical and nursing services are recognised when the service has been provided.

Income from the Government's Coronavirus Job Retention Scheme, and other Government COVID-19 related grants, is recognised when the charity has made a valid claim for the income, the amount can be measured and when it is entitled to receive the income.

Expenditure and the basis of apportioning costs

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, 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 includes attributable VAT which cannot be recovered.

The majority of costs are directly attributable to specific activities. Support costs are allocated to expenditure on raising funds and charitable activities according to underlying activity levels. These were established using a number of suitable indicators including staff time and floor space.

Expenditure and the basis of apportioning costs (continued)

Expenditure comprises the following:

- a. Expenditure on raising funds includes the salaries, direct costs and support costs associated with generating donated income and the fees paid to investment managers in connection with the management of the Home's listed investments.
- b. Expenditure on charitable activities comprises expenditure on the Home's charitable purposes as described in the report of the Board of Trustees and includes support costs.

Tangible fixed assets

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings. The buildings were insured on a replacement basis for £36m at 31 March 2021 (at 31 March 2020 – £36m).

All assets costing more than £5,000 are capitalised. Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

♦ Freehold buildings	4% on cost
♦ Water Tank	10% on cost
♦ Hospital and catering equipment	20% on cost
♦ Office furniture and equipment	20% on cost
♦ Transport	20% on cost

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are credited (or debited) in the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Endowment Funds comprise monies donated which are not to be expended. Only the income can be used for the charitable objectives of the Home.

Restricted Funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Designated Funds comprise monies set aside out of unrestricted general funds and designated for specific purposes, although the Board of Trustees may ultimately use such funds for other purposes.

The General Fund comprises those monies which are freely available for application towards meeting the charitable objectives of the Home at the discretion of the Board of Trustees.

Pension costs

From 1 April 2014, British Home is operating a defined contribution scheme. Contributions are recognised in the statement of financial activities when payable.

1 Donations and legacies

	Unrestricted £	Restricted £	2021 £
Donations inclusive of reclaimed tax	45,674	—	45,674
Legacies	526,842	—	526,842
Total 2021	572,516	—	572,516

	Unrestricted £	Restricted £	2020 £
<i>Donations inclusive of reclaimed tax</i>	93,625	—	93,625
<i>Legacies</i>	20,894	—	20,894
<i>Total 2020</i>	<i>114,519</i>	<i>—</i>	<i>114,519</i>

2 Investment income

	Unrestricted funds	
	2021 £	2020 £
Sarasin – CIF ALPHA fund units	225,583	240,455
COIF – Investment fund income units	194,002	244,489
	419,585	484,944
Interest receivable	587	1,168
Total 2021	420,172	486,112

3 Income from charitable activities

Income from charitable activities comprises fees from medical and nursing services and is unrestricted.

4 Other Income

	Unrestricted funds	
	2021 £	2020 £
Social Care Infection Control Fund (ICF)	190,736	—
Coronavirus Job Retention Scheme (CJRS)	131,479	—
COVID-19 Sustainability Payment	43,625	—
Coronavirus Statutory Sick Pay (SSP)	4,091	—
Promotion fee	—	67,198
	369,931	67,198

5 Expenditure on raising funds

	Unrestricted funds	
	2021 £	2020 £
Advertising and agency fees	1,275	360
Other costs (including staff costs)		
. Direct costs	80,896	105,735
. Support costs	41,971	38,479
	124,141	144,574

6 Expenditure on charitable activities

	Unrestricted £	Restricted £	2021 £
Medical and nursing services			
. Direct costs	3,973,065	—	3,973,065
. Support costs	2,401,092	1,000	2,402,092
	6,374,157	1,000	6,375,157

	Unrestricted £	Restricted £	2020 £
Medical and nursing services			
. Direct costs	3,999,007	—	3,999,007
. Support costs	2,362,178	—	2,362,178
	6,361,185	—	6,361,185

7 Analysis of support costs

	Raising funds £	Charitable activities £	2021 £
Staff costs	20,084	789,619	809,703
Administration	5,346	149,758	155,104
Housekeeping – fuel & rates	2,101	172,992	175,093
Housekeeping – other	10,110	812,952	823,062
Depreciation	1,717	182,269	183,986
Repairs & maintenance	—	125,839	125,839
Insurance	1,004	82,658	83,662
Other costs	1,187	51,122	52,408
Governance costs	422	34,783	35,205
Total support costs	41,971	2,402,092	2,444,063

7 Analysis of support costs (continued)

	<i>Raising funds</i> £	<i>Charitable activities</i> £	2020 £
<i>Staff costs</i>	13,652	685,112	698,764
<i>Administration</i>	7,961	235,489	243,450
<i>Housekeeping – fuel & rates</i>	1,752	144,223	145,975
<i>Housekeeping – other</i>	10,460	726,579	737,039
<i>Depreciation</i>	1,500	145,011	146,511
<i>Repairs & maintenance</i>	—	188,235	188,235
<i>Insurance</i>	948	78,026	78,974
<i>Other costs</i>	1,411	77,326	78,737
<i>Governance costs</i>	795	82,177	82,972
Total support costs	38,479	2,362,178	2,400,657

Included within governance costs is auditor's remuneration of £28,800 (2020 - £27,106) internal audit fees of £NIL (2020 - £16,500) and a further £NIL (2020 - £29,680) for professional fees related to the preparatory work for the proposed development of the new care facility which has been aborted and replaced with a plan for refurbishment.

8 Staff costs

	2021 £	2020 £
Wages and salaries	3,368,244	3,300,860
Social security costs	322,663	312,791
Pension costs	187,845	175,870
Redundancy costs	14,044	—
	3,882,795	3,789,521

The number of full-time equivalent employees during the period who earned over £60,000 in the year is as follows:

	2021 Number	2020 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	—
£90,001 - £100,000	1	—
£100,001 - £110,000	—	1

The average number of employees analysed by function was:

	FTE* 2021	Head Count 2021	FTE* 2020	Head Count 2020
*Full time Equivalent				
Nursing and care	89	111	105	125
Maintenance	3	5	3	5
Reception and portering	4	5	3	4
Management and administration	11	11	9	13
	107	132	120	147

Catering, cleaning and laundry are outsourced, but with staff dedicated to British Home. Average numbers of catering and cleaning staff during the year were FTE 14 / Head Count 20 (2020 FTE 14 / Head Count 23).

8 Staff costs (continued)

Remuneration of key management personnel

No trustee received any remuneration in respect of their services during the year. No trustees were reimbursed for travel expenses in the year (2020 – £nil).

During the year, the total remuneration, including pension contributions and employer's national insurance contributions, of key management personnel was £312,846 (2020 - £285,199).

9 Related party transactions

No member of the Board of Trustees nor any officer of the Home had any beneficial interest in any contract with the Home during the year.

The Home has purchased insurance to protect it from any loss arising from any neglect or defaults of any member of the Board of Trustees or employee and to indemnify any Board Member or employee against the consequence of any neglect or default on their part. The total cover provided by such insurance is £2,000,000 (2020 - £2,000,000) and the insurance premium paid by the Home during the year totalled £5,600 (2020 - £1,008).

Donations from trustees totalled £190 (2020 - £70).

10 Taxation

British Home and Hospital for Incurables is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	Freehold building £	Hospital equipment £	Computer equipment £	Transport £	Total £
Cost					
At 1 April 2020	3,330,178	106,860	95,121	15,980	3,548,139
Additions	—	70,204	13,386	—	83,590
At 31 March 2021	<u>3,330,178</u>	<u>177,064</u>	<u>108,507</u>	<u>15,980</u>	<u>3,631,729</u>
Depreciation					
At 1 April 2020	3,052,416	16,551	36,962	3,196	3,109,125
Charge for the year	143,106	18,660	19,024	3,196	183,986
At 31 March 2021	<u>3,195,522</u>	<u>35,211</u>	<u>55,986</u>	<u>6,392</u>	<u>3,293,111</u>
Net book values					
At 31 March 2021	<u>134,656</u>	<u>141,853</u>	<u>52,521</u>	<u>9,588</u>	<u>338,618</u>
At 31 March 2020	<u>277,762</u>	<u>90,309</u>	<u>58,159</u>	<u>12,784</u>	<u>439,014</u>

11 Tangible fixed assets (continued)

The original land and buildings were acquired in 1894. Between 1898 and 1994 their cost and subsequent additions were not recorded in the balance sheet. For many years the accounting policy for freehold land and buildings recognised that it was not possible to ascertain the cost of land and buildings and until 1 January 1994 the cost of additions were written off as incurred. In 1994 the accounting policy was changed and subsequent expenditure on additions and improvements to buildings have been capitalised. The book value, after depreciation, of land and buildings acquired prior to 1994 is not regarded as material. The New Wing, which opened in 1996, is classified as freehold buildings.

12 Investments

Investments held at 31 March 2021 comprised the following:

	Investment property £	Listed investments £	2021 £
Market value at 1 April 2020	350,000	12,602,804	12,952,804
Disposals at opening book value	—	(2,500,000)	(2,500,000)
Net gains/(losses)	—	2,496,624	2,496,624
Market value at 31 March 2021	350,000	12,599,428	12,949,428
Cash held by investment advisors for re-investment	—	1,542,434	1,542,434
Total investments	350,000	14,141,862	14,491,862
Historical cost of investments at 31 March 2021	—	8,761,441	8,761,441
	Investment property £	Listed investments £	2020 £
Market value at 1 April 2019	56,500	14,033,299	14,089,799
Disposals at opening book value	—	(1,000,000)	(1,000,000)
Net gains (losses)	293,500	(430,495)	(136,995)
Market value at 31 March 2020	350,000	12,602,804	12,952,805
Cash held by investment advisors for re-investment	—	33,059	33,059
Total investments	350,000	12,635,863	12,985,863
Historical cost of investments at 31 March 2020	—	9,686,903	9,686,903

The investment property is a share in land held on behalf of five charities.

13 Debtors

	2021 £	2020 £
Fee debtors	244,800	304,784
Prepayments and accrued income	335,386	141,442
	580,186	446,226

Prepayments and accrued income at 31 March 2021 include legacies of £233,000 (2020 - £43,231).

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	122,019	110,985
Amounts held on behalf of residents	45,458	39,753
Accruals and deferred income	468,520	451,336
Social security and other taxation	167,465	173,037
Other creditors	266,258	239,286
Liability on withdrawal from pension scheme	778,000	778,000
	1,847,720	1,792,397

Note: A corresponding asset for residents' monies is included in cash at bank (see note 21).

Included above is deferred income which relates to income receivable in 2021/22 which can be analysed as follows:

	2021 £	2020 £
Deferred income brought forward	158,816	152,679
Deferred in the year	195,639	158,816
Released in the year	(158,816)	(152,679)
Deferred income carried forward	195,639	158,816

15 Operating lease commitments

At 31 March 2021, the Charity had the following total commitments under operating leases on plant and machinery as follows:

Amounts payable:	2021 £	2020 £
Within one year	4,281	4,550
In two to five years	8,562	1,896
	12,843	6,446

16 Endowment fund

	2021 £	2020 £
The D.O. Beale Trust	12,477	12,477

17 Restricted fund

In the year to 31 March 2021 the charity received no restricted funds. The movement on restricted funds is in respect of the correction of an error in 2020.

18 Designated funds

The income funds of the Home include the following designated funds which have been set aside out of unrestricted funds by the Board of Trustees for specific purposes:

	At 1 April 2020 £	Released/ added in year £	At 31 March 2021 £
Tangible fixed assets fund	439,014	(100,396)	338,618
Continuity of Care fund	5,900,000	—	5,900,000
Major and Cyclical Maintenance fund	2,000,000	—	2,000,000
	8,339,014	(100,396)	8,238,618

	At 1 April 2019 £	Released/ added in year £	At 31 March 2020 £
<i>Tangible fixed assets fund</i>	384,590	54,424	439,014
<i>Continuity of Care fund</i>	—	5,900,000	5,900,000
<i>Major and Cyclical Maintenance fund</i>	—	2,000,000	2,000,000
	384,590	7,954,424	8,339,014

Tangible fixed asset fund

An amount equivalent to the net book value of tangible fixed assets at the end of the year is designated to recognise that they are not available for general use as they are not readily realisable.

Continuity of care fund

This fund has been established to meet the charity's obligations to provide essential services for all parties in the event of a critical incident.

Major and cyclical maintenance fund

This fund has been established as the charity operates from an old Victorian building which is both expensive to maintain and occasionally requires costly unplanned major repairs to the buildings infrastructure.

19 Analysis of net assets between funds

	Endowment fund £	Designated funds £	General fund £	Total 2021 £
Fund balances at 31 March 2021 are represented by:				
Tangible fixed assets	—	338,617	—	338,617
Investments	12,477	7,900,000	6,578,944	14,491,862
Current assets	—	—	1,603,048	1,602,608
Creditors: amounts falling due within one year	—	—	(1,847,720)	(1,847,720)
Total net assets	12,477	8,238,617	6,334,272	14,585,366

19 Analysis of net assets between funds (continued)

	<i>Endowment fund £</i>	<i>Designated funds £</i>	<i>General fund £</i>	<i>Total 2020 £</i>
<i>Fund balances at 31 March 2020 are represented by:</i>				
<i>Tangible fixed assets</i>	—	439,014	—	439,014
<i>Investments</i>	12,477	7,900,000	5,073,386	12,985,863
<i>Current assets</i>	—	—	1,334,176	1,334,176
<i>Creditors: amounts falling due within one year</i>	—	—	(1,792,397)	(1,792,397)
<i>Total net assets</i>	<u>12,477</u>	<u>8,339,014</u>	<u>4,615,165</u>	<u>12,966,656</u>

20 Pension commitments

The Home operated a defined benefit pension scheme providing benefits based on final pensionable pay until 31 March 2014. The defined benefit pension scheme closed to new members and future accrual as at 31 March 2014. The most recent triannual valuation of the scheme was at 1 April 2016.

In February 2018, after seeking advice from their advisors KPMG, the trustees took the decision to buyout of the scheme and a total liability of approximately £1,788,000 crystallised. During 2018 £1,010,000 was paid and the amount outstanding at 31 March 2021 is £778,000. The estimated liability is based on information provided by the trustees' professional advisors and Aviva, the insurers.

The Federated Flexiplan No.1 ("the Plan") is a defined benefit pension scheme. It is a "last man standing scheme" which means that all participating employers are joint and severally liable for the Plan's liabilities. However, because of the non-associated multi-employer nature of the Plan, the charity does not have sufficient information available (in particular to identify its share of the underlying assets and liabilities of the Plan) to use defined benefit accounting. As such and as permitted by FRS 102, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount recognised in the statement of financial activities represents the charity's contributions payable to the Plan in respect of the accounting period.

Members of the Plan are entitled to benefits on either a "Pensions Capital" or "Target Pension" basis. Under the Pensions Capital basis, contributions paid by and in respect of members are accumulated up to retirement and then used to secure benefits for the member. Under the Target Pension basis, members receive a defined pension at retirement based on length of service in the Plan and their Pensionable Salary at date of leaving. The Plan is closed to new members and to future accrual of benefits.

21 Cash at bank

Cash at bank of £1,022,422 on 31 March 2021 (2020 - £887,950) includes £45,458 held on behalf of the residents of the Home (2020 - £39,753). A corresponding liability for these monies is included in creditors (note 13).