



Trustees' Report

and

Financial Statements

2020

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Reference and Administrative Details

Elected Management Body (voluntary)

Chairman - Giles Cooper • *Vice Chairman* - Phil Dale • *Treasurer* - Ian Freeman

The Executive Committee: Wyn Calvin MBE, Kay Carman, Pat Church, Dee-Dee Crosher, Phil Dale, Ian Freeman, Paul Ganjou, Cheryl Garland, Valerie Garland, Fawn James, Martin Jones, John Logan, Vicki Michelle MBE, George Muranyi, Gordon Peters, Babs Powell, Robert Powell, Rev. Canon Roger Royle, Keith Simmons, The Dowager Lady Westbury CBE. JP.

Trustees (elected): Giles Cooper (Chairman), Laurie Mansfield, Phil Dale, Ian Freeman

Honorary Members (bestowed)

Hon. Life-President - Laurie Mansfield, *Hon. Vice-Presidents:* Roger De Courcey, Robert Earl Jnr, Stuart Littlewood, Joe Pasquale, Nick Thomas MBE, Bradley Walsh

Life Governors (honorary): Lord Michael Grade CBE, The Dowager Lady Westbury CBE. JP

Hon. Chaplain: Rev. Canon Roger Royle

Registered address: Brinsworth House, 72 Staines Road, Twickenham TW2 5AL

Independent auditors: Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

Solicitors: Clintons, 55 Drury Lane London WC2B RZ

Bankers: Coutts & Co, 440 Strand, London WC2R 0QS

Arbuthnot Latham & Co., Limited, Arbuthnot House, 7 Wilson Street, London EC2M 2SN

Registered custodians: Smith & Williamson Trust Corporation Limited, 25 Moorgate, London EC2R 6AY

Investment managers: Smith & Williamson Investment Management LLP, 25 Moorgate, London EC2R 6AY

Schroder & Co Limited, 12 Moorgate, London EC2R 6DA

Registered charity number: 206451

Trustees' Report

The Trustees present their Annual Report in compliance with the Charities Act 2011 and the Charities SORP (FRS102), together with the audited financial statements for the year ended 31st December 2020.

Reference and Administrative Information

The Royal Variety Charity is a charity registered in England & Wales, with number 206451. Its Registered Office, together with the Charity's elected Officers and elected Trustees (elected from the Members of the Charity's Executive Committee), together with the Charity's external advisers and bankers, are presented on page 2.

Structure, Governance and Management

The Charity is governed by its Rule Book and Constitution, first dated 1908 and last amended on 29 January 2016. The Executive Committee elects from its Members, once every five years, three unpaid Officers; a Chairman, a Vice-Chairman and a Treasurer, to manage and oversee all aspects of the Charity's operation and work. They have a responsibility to act with due care and consideration and are required to provide regular reports and updates to both the Charity's governing Executive Committee and also to their elected board of Trustees. The Executive Committee also elects from its Members, once every five years, a body of up to seven Trustees to be responsible for the Charity's financial investments, long-term strategy and long-term direction and goals. The Executive Committee, whilst delegating managerial responsibilities to its elected Officers and elected Trustees, concentrates its own efforts on deciding on admissions to the Charity's care home (Brinsworth House), maintenance and improvements to the care home, the consideration and implementation of advice from its elected Trustees, and the awarding of one-off and regular grants to the Charity's many dependants around the UK. Each of the Charity's elected Officers and elected Trustees has experience of, and an understanding of, specific aspects of the Charity's work and of specific areas within the entertainment industry. This effective governing partnership between the full Executive Committee and its elected Officers and elected Trustees, together with the Charity's employed professionals, contributes significantly to the Charity's respect, standing and success.

The elected Trustees meet to review the financial standing of the Charity (including the investment performance of the Charity's reserves) and to consider options for its long-term stability and success. They also agree and implement an annual operating financial budget, which is adhered to across all departments of both the Charity and the care home. They are also responsible for resolving any legal matters, employment disputes, or any extra-ordinary issues that may affect the Charity from time-to-time. They also have delegated authority from the Executive Committee, for the appointment of the Charity's senior employed staff, such as the Charity's finance director and the matron of the care home. They also review key management remuneration each year. In 2020, the Trustees were in regular contact throughout the pandemic and in addition, held three formal minuted Trustee meetings during the year.

The Executive Committee meets at least six times per year and reviews all matters of importance relating to the day-to-day running of the Charity. It reviews reports from its elected Trustees, including up-to-date monthly management accounts presented by the Treasurer. They approve or award all social grants, donations and gifts made by the Charity and ratify any expenditure not included in the annual financial budget. During 2020, the Executive Committee meetings were reduced due to the Covid pandemic, but they still managed to meet quarterly, in addition to the AGM, by video conference.

The Executive Committee appoints, from its Members, certain sub-committees which, in its opinion, are deemed necessary for its more efficient operation. Sub-committees have no executive or formal powers but act to ensure that the responsibilities and duties of the full Executive Committee are being carried out as thoroughly and as efficiently as possible, allowing for the maximum due consideration, care and attention to all matters. It is the duty of the chairman of each sub-committee to present its findings and recommendations to the Charity's Chairman and to the full Executive Committee for discussion, review, voting, action and ratification. During 2020, the Grants Sub-Committee met numerous times by video conferencing to review new, existing and on-going grant applications. The recommendations of each Grants Sub-Committee meeting were ratified by the Trustees within 24 hours following each meeting, which the Trustees kindly stepped in to do in the absence of the usual full Executive Committee meetings, due to the Covid pandemic.

Trustees' Report (continued)

Administration

Our unpaid, elected Chairman, Giles Cooper, continued this year with a hands-on approach to the management of the Charity and presented the Trustees and Executive Committee with regular opportunities to observe and influence the day-to-day operation. The value of donated (unpaid) services afforded to the Charity over the period by the Chairman, Giles Cooper, is estimated to be £90,000 (2019: £85,000). The Charity would like to place on record its thanks to Giles Cooper for all his time and effort in this respect and also for his work on the Charity's main fundraising event, the Royal Variety Performance.

Accounting and Reporting Responsibilities

The elected Trustees are responsible, on behalf of the Executive Committee, for preparing the Trustees' Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe and comply with the methods, guidelines and principles outlined in the Charity Commission's 'Statement of Recommended Practice' (SORP);
- To make judgements and estimate what is reasonable and prudent; whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained within the financial statements;
- To prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation;
- To employ a finance director with delegated responsibility for keeping proper accounting records and who is able to disclose with all reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities SORP (FRS102), the Charity (Accounts and Reports) Regulations there under and the provisions within the Charity's Rules and Constitution;
- The responsibility for safeguarding the assets of the Charity and, hence, for taking reasonable steps to ensure the prevention and detection of fraud and other irregularities;
- The responsibility for maintaining honesty, integrity and good practice within the Charity, and to ensure that all financial information presented internally and publicly presents a true and honest reflection of its situation.

Internal Controls, Transparency and Disclosures

Internal controls over all forms of expenditure continue to be refined to improve efficiency, with financial processes and safeguards in place to ensure that performance is monitored closely. The Charity's employed finance director is responsible for providing a monthly report (containing all matters of importance) together with monthly management accounts for review by the elected Chairman, elected Treasurer and honorary Life-President. The Treasurer, in-turn, presents a summary of this report, with management accounts, to the Executive Committee at each of their meetings.

Internal controls include; a detailed annual financial budget approved by the Trustees; regular consideration by the Trustees of the ongoing financial results, including, variances from budgets and benchmarking reviews; the delegation of day-to-day management authority; and the identification of, and management of, risks.

Whilst the elected Trustees are responsible for strategy and the long-term well-being of the Charity, it is the governing Executive Committee that is at the heart of the day-to-day operation. A minimum of 15 of its 24 members meet at least six times per year to approve and ratify expenditure of the charity. This includes expenditure not included in the annual financial budget and the awarding of grants, pensions and other payments to the Charity's many beneficiaries. The Executive Committee is also responsible for the Charity's care home, Brinsworth House and this responsibility includes the home's upkeep, repairs and maintenance, together with the safety, security and well-being of its many residents.

Trustees' Report (continued)**Internal Controls, Transparency and Disclosures (continued)**

In 2020, the Trustees re-appointed Smith & Williamson Trust Corporation Limited, as the Charity's registered custodians. As custodians, Smith & Williamson hold on trust all title deeds of the Charity's properties and custody of the charity's various trademarks.

Public Benefit

The Charity remains committed to the aim of providing 'public benefit' in accordance with its founding policies, and the Trustees confirm that they have paid due regard to the provisions of section 17 of the Charities Act 2011 in setting aims and objectives and planning future activities. The Charity, under its Chairmanship, has been transformed over recent years and now provides a modern spirit of transparency and openness, including detailed disclosures and a complete overhauling of the Charity's governing 'Rules and Constitution'. Our Grants sub-committee met on 19 occasions (usually by video conference) over the year and at all times carefully considered areas where it could improve our work for 'public benefit' and subsequently recommended to our full Executive Committee that they ratify the awarding of numerous grants, pensions and gifts to those in need. This year, the Charity awarded grants to individuals totalling £116,933 (2019: £125,019). In addition to the grants, the Charity contributed £214,142 (2019: £203,575) towards care home fee shortfalls for residents at Brinsworth House. The Charity also spent £361,158 on refurbishment and improvement costs to Brinsworth House, including a new kitchen and dining room.

In summary, the Charity's operational plans are devised to combine our strategic objectives with our financial means and are developed to maximise our expenditure towards our many beneficiaries; being mindful of the Charity Commission's guidance on increasing 'public benefit'.

Risk Management

The Trustees have introduced formal risk management processes to assess risks and implement risk management strategies. This has involved identifying the types of risks the Charity may face, prioritising them in terms of potential impact and their likelihood of occurrence, and then identifying means by which to mitigate those risks. As part of this process the Trustees have reviewed the adequacy of the Charity's current internal controls and the costs of operating particular controls relative to the benefits obtained. Procedures have been established for reporting failings immediately to appropriate levels of management and Officers. The principal risks and uncertainties facing the Charity are the protection of the interests and needs of our more vulnerable beneficiaries and our continuing dependency on public support for the financing of our essential activities, as noted below and in connection with our reserves policy.

In view of the legislative changes within the Charities Act 2011 with relation to care homes, the Charity has employed the services of Croner Group Limited to provide competent technical advice and practical support in the management of Health, Safety and Wellbeing and whose main role is to ensure that all regulatory requirements are complied with and maintained.

The generic controls used by the Charity to minimise risk include:

- Any strategic development planning under review;
- Comprehensive budgeting and management accounting;
- Formal written policies including clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable;
- Carrying out an un-announced mock CQC type inspection.

Health and safety is always paramount as part of our risk management controls and the risks within the care home range from fire hazards to infrastructure repairs and maintenance to personal risks. The amount of activities within the care home are both abundant and impressive and the risks associated with all activities are minimised to the best of the Charity's ability through planning and continual, on-going risk assessment.

The Trustees and Executive Committee are satisfied that, for all major risks identified, appropriate controls and funds in the Reserves are in place and maintained to mitigate those risks adequately.

Trustees' Report (continued)

Risk Management (continued)

It is recognised, however, that systems and risk management controls only provide a level of reasonable assurance and not absolute assurance that major risks have been managed and minimised effectively.

The Trustees are monitoring the effects of the coronavirus (COVID-19) upon the operations of the Charity. There have been no significant effects in 2020 which have had an impact on financial performance. The Charity's main fundraising event was held in 2020 albeit without ticket sales but overall generated substantial funds. It is anticipated that the 2021 performance will go ahead as in previous years.

The lockdown has prevented the Charity from taking any new admissions at its care home, Brinsworth House, but it is anticipated that this restriction will be withdrawn in 2021 resulting in an increase in occupancy levels for the remainder of the year.

The Charity saw an initial reduction in the valuation of investments held in its investment portfolio in 2020 but a recovery was made before the year end. No unrealised gains or losses are budgeted in 2021 and the Trustees do not feel this will have a material impact as the intention is not to liquidate these investments.

Aims, Objectives and Activities of the Charity

As detailed above, the Charity has always paid due regard and consideration to the published guidelines by the Charity Commission relating to the 'public benefit' requirement of the Charities Act 2011.

Mission Statement

The Charity strives to support all those in need of help and assistance, both young and old, who have worked on the stage, in the wings, in front of a camera or behind it, as well as all those who have spent their lives working in the numerous support industries upon which the entertainment profession relies.

Aims and Objectives

The Charity's aims and objectives are for the relief of poverty of performers and entertainers, and other people who are or have been closely associated with the entertainment profession ('Entertainment Artistes'), and their surviving partners, spouses and dependants and for this purpose, but not otherwise, the income and property of the Charity shall be applied solely for the promotion of those objects, including:

- To pay pensions or to award grants and loans to alleviate hardship;
- To contribute to partly, or pay all, funeral expenses;
- For so long as the Executive Committee and Trustees shall determine prudent, to operate and maintain a nursing and care home for 'Entertainment Artistes' and to contribute to partly, or pay, the fees associated with being a resident in the home.

The Charity's dedicated care home, Brinsworth House in Twickenham, west London, has facilities for up to 38 residents - 19 residential and 19 nursing care residents - who require full or semi-nursing care.

Our vision is to ensure for those who have dedicated their lives to the entertainment of others that illness, poverty and old age don't hinder and degrade the remainder of their lives. Our objective is to provide relief to 'Entertainment Artistes' and their families by helping to improve their comfort, suffering and misfortune by providing support and working in partnership with those who share our vision and mission.

Achievements and Performance

As has been the case since the Charity was founded in 1908, its care home, Brinsworth House, in Twickenham, west London, sits at the very core of its operation. Members of the management body are in close daily contact with the home's clinicians and administrators to ensure that the established high standards of care and accommodation are maintained and enhanced.

Trustees' Report (continued)

Achievements and Performance (continued)

Monthly meetings are held with staff and with residents and their families to establish levels of satisfaction and identify any areas which may require attention. The Charity has adhered to social distancing rules during the periods of lockdown, which have curtailed meetings with residents' families resulting in contact being maintained by other means.

The Charity's Executive Committee members are chosen to represent all age groups and to provide advice and counsel based on their extensive experience working in a wide variety of business and charity sectors, including property, finance, charity administration and the entertainment industry itself.

On the 18th March, a few days before the nationwide lockdown, Trustees instructed all staff working at our King Street offices to relocate and work from home and ordered Brinsworth House to close its doors to all visitors. A few days later, the UK entered into full lockdown. PPE and testing kits were sourced with any resident who displayed symptoms being isolated in their rooms. Adequate PPE was provided to allow our nursing staff to care for them. Trustees stepped in to ratify grant applications which were pouring in from all over the UK.

Entertainment and activities became essential factors for the mental well-being of our residents during the lockdown. We would like to thank all the artistes who "virtually" entertained our residents:

Steve Hewlett, Elaine Delmar, Maurice Kachuk, Steph Parry, Kevin Dean, Carol Anne Wells & Del, Steve Galler, Mark Andrews, Simon Bashford, Emma James, Cassidy CJ. Janson, Stephen Dickinson, Mazaika Igor & Sarah, Katie Lewis, Karl Charity, Jack Foley, Cameron Rolls, Nick Cooper, Jay & Joss Magic, Tom Carradine, Miranda Richards, Olivia Grace Piper, Simeon Wood, James Hodgson, Bernie Clifton, Ukaye Ukes, Mark Hemmings, Steve Barclay, Bill Dare & Kaplan Kaye, Shelly Anne Rivers, Andy Eastwood, Vivienne McMaster, Daniel Dean, Mark Porter, Sean Whittle, Katie Milton, Kay Carman, Jason Allen, Mickie Driver, Denise Nolan, Claire Benjamin.

In addition, activities included: flower arranging, general knowledge quizzes, movies, fitness sessions, mails and hand massages, armchair yoga, bingo group crosswords, and singing. Interdenominational pastoral care is in the hands of our Chaplain, the Reverend Canon Roger Royle.

Our clinical, care and administrative staff undertook a wide range of topics from our E-learning programme, our consultant trainer and external sessions, covering such diverse topics as medication management, Covid-19, infection control, end of life care, food hygiene, mouth care, moving and handling, and record keeping. Our staff were awarded 279 certificates of proficiency in a variety of care-related topics through in e-learning and internal courses provided by our outside training consultants. Technology was taken advantage of during a challenging year for our in-house training programme with some sessions held on Zoom.

Brinsworth House is a long-standing and respected member of the local community and is proud of its strong connection to the area and its firm relationships with the local Primary Care Trust, the emergency services and local schools and colleges.

This year, the Charity awarded grants to individuals totalling £116,933 (2019: £125,019). In addition to the grants, the Charity contributed £214,142 (2019: £203,575) towards care home fee shortfalls for residents at Brinsworth House. The Charity also spent £361,158 on refurbishment and improvement costs to Brinsworth House, including a new kitchen and dining room.

Preliminary professional work was carried out on the next phase of the refurbishment project of Brinsworth House but major on-site works was delayed because of the pandemic. We are aiming to return to this project in 2021.

Trustees' Report (continued)

Fundraising and Events

The Charity's principal annual fundraising event is the Royal Variety Performance, which was staged in 2020 at the Opera House in the Winter Gardens, Blackpool on Sunday 29th November.

The Chairman of the Charity, Giles Cooper, worked closely with ITV Studios to produce this unique event and managed to secure a wonderful video message of support to be included in the show from His Royal Highness The Prince of Wales. Giles Cooper was joined in Blackpool by the Charity's events team and fellow Trustees Phil Dale and Ian Freeman, who managed to secure some wonderful publicity on TV, radio, on-line and in numerous newspapers, promoting the work of the Charity. The Charity would like to thank the many artists who assisted in publicising the Charity's work, particularly on their social channels.

The show was hosted by Jason Manford and the artistes featured included: Gary Barlow OBE, Samantha Barks from Frozen the musical, Stephen Mulhern, Celeste, Jo Caulfield, Sheridan Smith OBE from Cilla the musical, Black Blues Brothers, Melanie C, Jon Courtney, Marisha Wallace, Daliso Chaponda, Steps and Michael Ball OBE. Captain Sir Thomas Moore also made an appearance by virtual link.

The show was televised in the UK on ITV and ITV HD and attracted high ratings. As usual, the show was also screened around the world, including on Christmas Day in Australia, New Zealand and South Africa.

Total income generated from the 2020 Royal Variety Performance was a magnificent £504,175 from TV income, royalties and brochure advertising, with no ticket sales due to the pandemic (2019: £884,812). The Charity would like to put on record its thanks to Chairman Giles Cooper for his hard work in not only securing the Blackpool Opera House as a venue, but also for his ongoing commitment and determination to stage the show, in some form, despite the numerous obstacles and difficulties presented by the Covid global pandemic. His additional success in gaining a video message of support from Prince Charles was a first in the Charity's history and HRH's warm and encouraging words will be remembered by the Charity for many years to come.

The Charity receives royalties from clips of Royal Variety Performances which are shown on television worldwide during subsequent years. In 2020, these royalties amounted to £119,332 (2019: £27,028).

The 14th series of ITV's 'Britain's Got Talent' was televised with fifteen pence from every telephone vote being donated to the Royal Variety Charity, raising a total of £25,152 (2019 £67,563). As every year, we are indebted to Simon Cowell and all at Syco Television for their continued support of our Charity.

No other smaller fundraising events were possible during 2020 because of the pandemic.

The Charity also received legacies and donations during the year amounting to £677,957 (2019: £512,051). While the annual value of these contributions is unpredictable, it remains a helpful source of ancillary income for the Charity.

Financial Review and Results for the year

The Statement of Financial Activities (SOFA) is set out of page 11. The Charity's net movement in funds was £169,688 in 2020 (2019: £795,550).

The Charity's main sources of income before costs in the year were:

	2020		2019	
	£'000	%	£'000	%
Royal Variety Performance (incl TV income)	504	17%	884	26%
'Britain's Got Talent'	25	1%	68	2%
Legacies	2	-%	427	13%
Donations, appeals and investment income	801	27%	224	7%
Residential and nursing care fees	1,558	52%	1,787	52%
Grants	109	3%	-	-
	£2,999	100%	£3,390	100%

Trustees' Report (continued)**Financial Management and Reserves Policy**

As a matter of policy, the elected Trustees review each year the value of reserves retained in the form of investments, cash and cash equivalents not held for restricted purposes or designated projects. The elected Trustees consider the Charity's exposure to major risks in terms of their likely impact on its income sources and planned expenditure in the short to medium term, as well as assessing the best way to mitigate such with income.

The major risk is of a decline in voluntary income, particularly due to any economic/stock market downturn and other factors leading to both declining legacy values and reduced donations. The present target range for free reserves is ideally £5 million, which would equate to 24 months costs, plus total expenditure in hand, to enable us to cope with unforeseeable emergencies. General Reserves are £3,885,135 at 31st December 2020 (2019 £5,296,423). A designated fund of £1.65m has been established following legacy receipts regarded as "ring-fenced" funds to be used for the refurbishment of Brinsworth House, albeit not legally restricted reserves.

Investment Policy

The Trustees act in accordance with the 'Trustee Act 2000' paying particular attention to 'duty of care' imposed upon trustees, trustees' powers of investment and the power to appoint nominees and agents. The Trustees note that the Act "sets a new duty of care, both objective and standard, massively extends the trustees' power of investment and limits the trustees' liability for the actions of agents, also providing for their remuneration for work done."

The present investment policy is to maximise the long-term total return of the Charity's investment funds, subject to the risks normally associated with a balanced approach to portfolio management and subject to an ethical stance that excludes any investment in armaments, in view of the severe disabilities so often resulting from their use.

Except for the above, the Charity does not restrict its fund managers with regards to any category of investment. However, it expects and encourages fund managers to invest only in companies that have appropriate governance and social responsibility policies. We also expect that the activities of these companies will be monitored both against their own standards and policies and also against the standards of society in general.

During the year, Schroder & Co Limited (£1,245,491) and Smith & Williamson Investment Management Limited (£2,003,047) managed our portfolio.

The Charity's Treasurer receives reports from the investment managers on a quarterly basis to review the investment portfolio and these results are reported to the other Trustees and Executive Committee. The 2020 total realised return was of £104,147 (2019: £135,079) and unrealised gain was £91,874 (2019: £280,021).

Future plans

The Charity is ever committed to improving the efficiency of its operation and is constantly looking into all areas of how its work could be improved.

The Charity is committed to helping more in need and has improved the efficiency and effectiveness of its nationwide grants scheme, allowing more applicants to receive help in a faster time.

The Trustees are also committed to improving the facilities and quality of life for our many residents at Brinsworth House and is currently working with architects and advisors as to how better facilities could be implemented. Phase 1 of the refurbishment covering the kitchen and dining room has been completed. The next phase is due to be undertaken in 2021 covering the refurbishment of bedrooms making them ensuite and installing a platform lift.

The Charity is also looking to see how it can widen its level of support to all areas of the entertainment industry for people of all ages, and a review of our brand and presence in the industry is currently being discussed.

Our forward-thinking approach to the Royal Variety Performance; its younger audience and the support of all generations of the Royal family, will be encouraged and further nurtured.

Trustees' Report (continued)**Future plans (continued)**

Our television production and broadcast contract with ITV came to an end with the 2020 Royal Variety Performance. We are pleased to report that a new five-year contract has been entered into with ITV from 2021 until 2025. On a side note, Britain's Got Talent, produced by Thames (a division of Fremantle UK) and Simon Cowell's Syco Entertainment, continues to return excellent ratings and has extended its contract with ITV for a further five years until 2024. However, the 2021 (BGT XV) has been postponed for a year due to the pandemic.

As part of the Charity's fundamental strategy, the Trustees have reviewed the budgets for 2021 and 2022 and are satisfied that it is appropriate to prepare the financial statements on a 'going-concern' basis.

The Trustees have reviewed the impact of the Covid 19 virus on the operations of the Charity and continue to monitor developments on a daily basis. They believe that any additional costs will be off-set by the Infection Control Fund grant it receives from the local authority. In addition, plans are being made to hold our main fundraising event, the Royal Variety Performance, towards the end of the year when it is anticipated that such events are permitted.

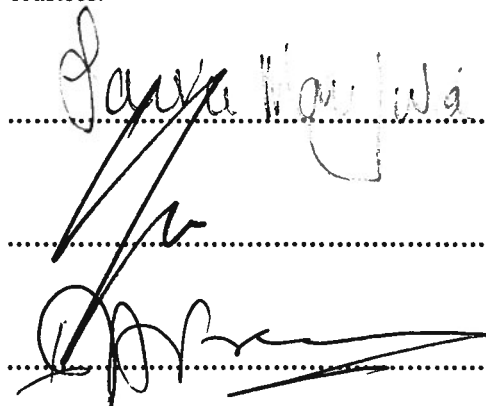
The two investment properties were sold during the year raising £848,516 in cash, used to fund phase 1 of the refurbishment and provide operating funds, but generating a loss of £26,484.

Auditors

During the year the Trustees reviewed their audit requirements and decided to re-appointed Haysmacintyre LLP as auditors.

Approved by the Trustees and signed on their behalf by:

In accordance with the Charity's Rules & Constitution updated in January 2016, this Annual Report and Financial Statements for the year ended 31 December 2020 is approved and signed by the senior officers, many of the elected Trustees.

**Laurie Mansfield**

Honorary Life- President & Trustee

Giles Cooper
Chairman & Trustee**Ian Freeman**
Treasurer & Trustee**Dated: 2nd July 2021**

Statement of Financial Activities for the year ended 31st December 2020

	Note	Total Funds 2020 £	Total Funds 2019 £
Income from:			
Donations and legacies:			
Royal Variety Performance		139,327	565,363
TV fees (including Britain's Got Talent)		390,000	387,012
Legacies		1,803	427,254
Donations, appeals and fundraising events	3	676,154	84,797
Grants	4	108,687	-
Income from investments		124,325	135,079
Other Income		370	4,091
Income from charitable activities			
Residential and nursing care fees		1,558,677	1,786,691
Total income		2,999,343	3,390,287
Expenditure on			
Cost of generating funds:			
Royal Variety Performance	5	35,104	289,414
Investment management costs	5	18,252	24,594
Other fundraising and publicity	5	348,336	269,668
Charitable activities			
Brinsworth House Residential and nursing care	5	2,322,262	2,145,727
Charitable aid	5	150,913	145,355
Total expenditure	5	2,874,867	2,874,758
Realised investment loss	2	(46,662)	-
Unrealised investment gain	2	91,874	280,021
Net income/ (expenditure)		169,688	795,550
Net movement in funds		169,688	795,550
Funds brought forward as at 1 January 2020		10,407,543	9,611,993
Total funds as at 31 December 2020	12	10,577,231	10,407,543

All amounts relate to continuing activities. There were no other recognised gains or losses during the year.

The accompanying notes form part of these financial statements.

Balance Sheet as at 31st December 2020

	Note	£	2020	£	£	2019	£
Fixed Assets							
Tangible assets	8a		5,042,096			5,111,120	
Intangible assets	8b		-			-	
Investments	2		3,248,538			3,960,106	
			<u>8,290,634</u>			<u>9,071,226</u>	
Current Assets							
Debtors	9	218,740			248,738		
Cash at bank and in hand		2,228,852			1,266,925		
		<u>2,447,592</u>			<u>1,515,663</u>		
Creditors: amounts falling due within one year	10	<u>(160,995)</u>			<u>(179,346)</u>		
Net Current Assets			2,286,597			1,336,317	
Total Assets less Current Liabilities			<u>10,577,231</u>			<u>10,407,543</u>	
Funds							
General Reserves (Unrestricted)	11		3,885,135			5,296,423	
Fixed Asset Fund	11		5,042,096			5,111,120	
Refurbishment Fund	11		1,650,000			-	
Total Funds			<u>10,577,231</u>			<u>10,407,543</u>	

The financial statements were approved and authorised for issue by the Board of Trustees on 2nd July 2021 and were signed below on its behalf by:



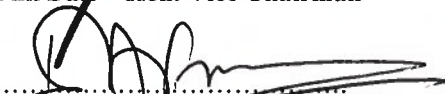
Laurie Mansfield – Hon. Life President



Giles Cooper – Hon. Chairman



Phil Dale – Hon. Vice Chairman



Ian Freeman – Honorary Treasurer

The accompanying notes form part of these financial statements.

Cashflow Statement for the year ended 31ST December 2020

	2020	2019
	£	£
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period	169,688	795,550
Depreciation and amortisation charges	98,537	97,608
Decrease/(Increase) in debtors	29,998	217,325
Increase/(Decrease) in creditors	(18,351)	13,860
Interest and dividends	(124,325)	(135,079)
(Gains)/Losses on investments	(45,212)	(280,021)
Cash flows from operating activities	110,335	709,243
Cash flows from investing activities		
Dividends and interest received	124,325	(135,079)
Purchases of tangible assets	(29,513)	(414,385)
Withdrawal from investment portfolio	-	500,000
Purchase of investments	(422,101)	(672,106)
Proceeds from sale of investments	1,178,881	578,751
Net cash provided by/(used) in investing activities	851,592	(142,819)
Change in cash and cash equivalents in the reporting period	961,927	836,582
Cash and cash equivalents at the beginning of the reporting period	1,266,925	430,343
Cash and cash equivalents at the end of the reporting period	2,228,852	1,266,925

Notes to the Cashflow Statement	2020	2019
	£	£
Analysis of cash and cash equivalents		
Cash at bank and in hand	<u>2,228,852</u>	<u>1,266,925</u>

Analysis of net debt	As at 1st January 2020	Cash flow	As at 31st December 2020
	£	£	£
Cash at bank and in hand	1,266,925	961,927	2,228,852

Notes to the Financial Statements for the year ended 31st December 2020

1. Accounting Policies

a) Accounting convention

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 - FRS 102 second edition, effective 1st January 2019), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Fixed Assets

Fixed assets are recorded at cost, except for freehold property. Amounts incurred on capital items over £1,000 are capitalised. The Charity has revalued the freehold land and buildings and the revaluations have been included in the accounts. Depreciation is calculated to write off the cost of all tangible fixed assets, other than freehold land, which is not depreciated, in equal instalments over their estimated useful lives using the following rates.

	Estimated Useful Life
Buildings	50 years
Furniture, Fixtures and Equipment	10 years
Computers and Office Equipment	3 years
Trademarks and Patents	5 years

c) Incoming resources

Fee and ticket sales income is recognised when receivable. Donations are recognised in the year when they are received. Legacies are recognised at the point when entitlement and amount are confirmed.

Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.

d) Expenditure and its basis of allocation

All expenditure is dealt with on the accruals basis and includes value added tax where appropriate. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services. It includes direct costs of activities and those costs of an indirect nature necessary to support those activities, allocated between expenditure categories on an appropriate basis as set out in note 5.

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

e) Fund accounting

The unrestricted funds are fees and other income receivable or generated for the objectives of the Charity without further specified purpose and are available as general funds. There were no restricted funds (2019 – nil)

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Notes to the Financial Statements for the year ended 31st December 2020 (continued)**1. Accounting Policies (continued)****f) Taxation**

All income and gains are exempt from taxation and have been or will be applied for the charitable purposes. Irrecoverable VAT is attributed to the relevant category or capital expenditure as appropriate.

g) Going concern

The accounts have been prepared on the assumption that the Charity is able to carry on its activities as a going concern. In assessing the Charity's ability to continue as a going concern, the Trustees have considered the Charity's liquidity position and reviewed cash flow forecasts for the foreseeable future. In addition to its cash reserves, it has an investment portfolio to draw upon with no external debt or security. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

i) Leased assets and obligations

All leases are "Operating Leases" and the annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

j) Fixed asset investments

Investments have been valued at the bid prices as at 31st December 2020. Investment properties are stated at their market value at the balance sheet date in accordance with the SORP. Any surplus or deficit arising on revaluation is taken directly to the fund as an unrealised gain or loss. No depreciation is charged on investment property.

f) Pension scheme

Costs are associated with the defined contribution auto-enrolment pension scheme and charges against the operating surplus are the contributions payable to the scheme in respect of the accounting period.

g) Statement of cash flows

The Charity's cash flow statement reflects the presentation requirements of FRS 102, which is different to that prepared under FRS 1. In addition, the cash flow statement reconciles cash and cash equivalents whereas under previous UK GAAP the statement reconciled to cash.

h) Debtors

Debtors and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

i) Creditors and provisions

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

j) Grants

Grants are recognised on a receipts basis.

Notes to the Financial Statements for the year ended 31st December 2020 (continued)

2. FIXED ASSETS INVESTMENTS		2020	2019
		£	£
a) Listed Investments			
Market Value as at 1 January 2020		3,085,106	3,211,730
Add: addition to investments at cost		367,101	672,106
Increased retained cash		55,000	-
Less: disposals		(330,365)	(578,751)
Less: withdrawal		-	(500,000)
Less: net loss realised		(20,178)	-
Add net gains on revaluations		91,874	280,021
Market Value at 31st December 2020		3,248,538	3,085,106
There were no individual listed investments in excess of 5% of the total portfolio value.			
		2020	2019
		£	£
b) Investment Income			
Dividend income		109,922	117,949
Other interest receivable		14,403	2,506
Property investment income		-	14,624
		124,325	135,079
c) Investment property			
		2020	2019
		£	£
Market value brought forward			
As at 1 January 2020		875,000	875,000
Less: disposal proceeds		(848,516)	-
Less: loss on disposal		(26,484)	-
Market value carried forward			
As at 31 December 2020		-	875,000
Summary of investments			
Listed and non listed investments		3,248,538	3,085,106
Investment property		-	875,000
		3,248,538	3,960,106

Investment properties that are not used in the Charity's primary residential care activities, are let out in the open market. The properties were revalued by Shaw & Co Chartered Surveyors on 27 February 2018 at £875,000 representing open market value. They were both disposed of in the year.

Notes to the Financial Statements for the year ended 31st December 2020 (continued)**3. DONATIONS, APPEALS AND FUNDRAISING EVENTS**

	2020 Total £	2019 Total £
Donations	676,154	83,996
Other Fundraising events	-	801
	676,154	84,797

4. Grants

	2020 Total £	2019 Total £
Infection Control Fund	79,413	-
Job Retention Scheme	29,274	-
	108,687	-

5 (a) TOTAL EXPENDITURE 2020

	Cost of Generating Funds £	Brinsworth House residential and nursing care £	Charitable Aid £	Governance Costs £	Support Costs £	Total 2020 £
Staff and related costs	64,802	1,580,658	27,555	-	112,835	1,785,850
Catering	-	119,051	-	-	-	119,051
Laundry, cleaning and medical	-	194,731	-	-	-	194,731
Repairs and maintenance	-	47,216	-	-	-	47,216
Utilities, rates and insurance	-	69,966	-	-	14,953	84,919
Other running costs	-	101,630	-	-	535	102,165
General office expenses	588	-	6,425	-	17,878	24,891
Publicity and marketing	163,538	-	-	-	-	163,538
Royal Variety Performance	35,104	-	-	-	-	35,104
Other event costs	2,339	-	-	-	-	2,339
Printing, postage and stationery	-	-	-	-	13,267	13,267
IT and equipment	-	-	-	-	24,466	24,466
Audit	-	-	-	16,800	-	16,800
Legal and professional	-	-	-	16,985	-	16,985
Depreciation	-	97,818	-	-	719	98,537
Bank charges	-	-	-	-	3,946	3,946
Pensions and grants	-	-	116,933	-	-	116,933
Investment Property expenses	5,877	-	-	-	-	5,877
Investment management costs	18,252	-	-	-	-	18,252
Direct costs	290,500	2,211,070	150,913	33,785	188,599	2,874,867
Support cost	94,300	94,299	-	-	(188,599)	-
Governance cost	16,892	16,893	-	(33,785)	-	-
Total Costs	401,692	2,322,262	150,913	-	-	2,874,867

Notes to the Financial Statements for the year ended 31st December 2020 (continued)

5 (b) TOTAL EXPENDITURE 2019

	Cost of Generating Funds £	Brinsworth House residential and nursing Care £	Charitable Aid £	Governance Costs £	Support Costs £	Total 2019 £
Staff and related costs	62,923	1,399,099	20,336	-	108,819	1,591,177
Catering	-	125,234	-	-	-	125,234
Laundry, cleaning and medical	-	118,973	-	-	-	118,973
Repairs and maintenance	-	64,960	-	-	-	64,960
Utilities, rates and insurance	-	70,807	-	-	22,500	93,307
Other running costs	-	171,837	-	-	4,410	176,247
General office expenses	10,693	-	-	-	20,555	31,248
Publicity and marketing	54,702	-	-	-	-	54,702
Royal Variety Performance	289,414	-	-	-	-	289,414
Other event costs	7,356	-	-	-	-	7,356
Printing, postage and stationery	-	-	-	-	9,756	9,756
IT and equipment	-	-	-	-	22,462	22,462
Audit and accountancy	-	-	-	17,200	-	17,200
Legal and professional	-	-	-	4,842	-	4,842
Depreciation	8,464	88,425	-	-	719	97,608
Bank charges	-	-	-	-	1,521	1,521
Pensions and grants	-	-	125,019	-	-	125,019
Investment Property expenses	19,138	-	-	-	-	19,138
Investment management costs	24,594	-	-	-	-	24,594
Direct costs	477,284	2,039,335	145,355	22,042	190,742	2,874,758
Support cost	95,371	95,371	-	-	(190,742)	-
Governance cost	11,021	11,021	-	(22,042)	-	-
Total Costs	583,676	2,145,727	145,355	-	-	2,874,758

6. STAFF COSTS

	2020 £	2019 £
Wages and salaries	1,515,209	1,257,654
Social Security Costs	143,978	114,764
Pensions	34,354	26,490
Agency and contract staff	92,309	192,269
	1,785,850	1,591,177

The charity had one employee earning £60,000 or more during the year (2019: 1).
The total cost for our four Key Management during the year was £256,564 (2019: £225,999).

	2020 No.	2019 No.
The average weekly number of employees analysed by function was:		
Brinsworth House residential and nursing care	53	51
Fundraising and publicity	2	2
Support staff	3	3
	58	56

The Charity had support from two volunteers in the year (2019: ten).

Notes to the Financial Statements for the year ended 31st December 2020 (continued)**7. TRUSTEES**

No emoluments were paid to the Trustees during the year (2019: £nil). Expenses of £534 were paid to four Trustees during the year (2019: Four Trustees £1,434).

8a. TANGIBLE FIXED ASSETS

	Freehold Buildings £	Furniture, Fixtures & Equipment £	Computers And Office Equipment £	Total £
Cost				
As at 1st January 2020	5,555,702	177,441	42,304	5,775,447
Additions	17,033	12,480	-	29,513
As at 31st December 2020	5,572,735	189,921	42,304	5,804,960
Depreciation				
As at 1st January 2020	476,316	147,546	41,465	665,327
Charge for year	90,394	6,424	719	97,537
As at 31st December 2020	566,710	153,970	42,184	762,864
Net Book Value				
As at 31st December 2020	5,006,025	35,951	120	5,042,096
As at 31st December 2019	5,080,386	29,895	839	5,111,120

The trustees made the decision to revalue the property in 2014. The effective date of the valuation was 4th December 2014 and it was recognised in the financial statements ended 31st December 2014. The valuations were performed by Shaw and Company (Surveyors) Limited. The valuation was made in accordance with the Practice Statements of the RICS' Appraisal and Valuation Manual. They were carried out by an external valuer who conforms to the requirements of these Practice Statements. The valuations were based upon existing use value of Brinsworth House at the valuation date. The historical cost carrying amount would be £1,107,387.

8b. INTANGIBLE FIXED ASSETS

	Trademarks and patents £
Cost	
As at 1st January 2020	50,453
Additions	-
As at 31st December 2020	50,453
Depreciation	
As at 1st January 2020	50,453
Charge for year	-
As at 31st December 2020	50,453
Net Book Value	
As at 31st December 2020	-
As at 31st December 2019	-

Notes to the Financial Statements for the year ended 31st December 2020 (continued)

9. DEBTORS	2020 £	2019 £
Residents & other fees	175,230	166,970
Prepayments	29,892	26,650
Other debtors	13,618	55,118
	<u>218,740</u>	<u>248,738</u>

10. CREDITORS: Amounts falling due within one year	2020 £	2019 £
Trade Creditors	46,686	68,204
Other taxes and social security costs	46,123	27,244
Accruals and deferred income	63,900	79,315
Other creditors	4,286	4,583
	<u>160,995</u>	<u>179,346</u>

11. (a) FUND BALANCES 2020	1 January 2020 £	Income £	Expenditure £	Transfers £	31 December 2020 £
Unrestricted funds					
General reserves	5,296,423	2,999,343	(2,731,118)	(1,679,513)	3,885,135
Designated funds					
Fixed asset fund	5,111,120	-	(98,537)	29,513	5,042,096
Refurbishment fund	-	-	-	1,650,000	1,650,000
Total unrestricted funds	<u>10,407,543</u>	<u>2,999,343</u>	<u>(2,829,655)</u>	<u>-</u>	<u>10,577,231</u>

11. (b) FUND BALANCES 2019	1 January 2019 £	Income £	Expenditure £	Transfers £	31 December 2019 £
Unrestricted funds					
General reserves	4,826,114	3,390,287	(2,505,593)	(414,385)	5,296,423
Designated funds					
Fixed asset fund	4,785,879	-	(89,144)	414,385	5,111,120
Total unrestricted funds	<u>9,611,993</u>	<u>3,390,287</u>	<u>(2,594,737)</u>	<u>-</u>	<u>10,407,543</u>

Notes to the Financial Statements for the year ended 31st December 2020 (continued)**12. (a) ANALYSIS OF NET ASSETS BETWEEN FUNDS 2020**

	Unrestricted Funds £	Designated Funds £	Total £
Fund balances as at 31 December 2020 are represented by:			
Fixed assets	-	5,042,096	5,042,096
Intangible assets	-	-	-
Investments	3,248,538	-	3,248,538
Current assets	797,592	1,650,000	2,447,592
Current liabilities	(160,995)	-	(160,995)
Total net assets	3,885,135	6,692,096	10,577,231

12. (b) ANALYSIS OF NET ASSETS BETWEEN FUNDS 2019

	Unrestricted Funds £	Designated Funds £	Total £
Fund balances at 31 December 2019 are represented by:			
Fixed assets	-	5,111,120	5,111,120
Intangible assets	-	-	-
Investments	3,960,106	-	3,960,106
Current assets	1,515,663	-	1,515,663
Current liabilities	(179,346)	-	(179,346)
Total net assets	5,296,423	5,111,120	10,407,543

13. OPERATING LEASES

	2020 £	2019 £
Payable: Within 1 year	44,457	53,457
Payable: 2 - 5 years	181,364	225,821
	225,821	279,278

The operating leases relate to total costs of land, buildings and equipment.

14. RELATED PARTIES

The Charity has considered the disclosure requirements of the SORP (FRS102) and believes that the following 'related party transactions', which were made at an 'arm's length' basis, requires disclosure:

During the year the Charity used the services of Soho Post Production Limited, a company owned by Mr Giles Cooper, at a total cost of £18,400 plus vat. The company carried out 'donated' marketing services for the Charity's annual fundraising event, the Royal Variety Performance and the after-show party and includes the costs of placing advertisements in national newspapers, the design and production of the show's brochure and associated marketing materials throughout the year. The services are re-charged at cost. NB. The design services are put out to tender every five years. The balance outstanding at 31st December 2020 was NIL.

During the year Mr Giles Cooper also donated his professional time for advisory services related to fundraising and governance. The value of these donated services is calculated at £90,000 (2019 £85,000).

There were no other related party transactions requiring disclosure in the year.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL VARIETY CHARITY

Opinion

We have audited the financial statements of the Royal Variety Charity for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 December 2020 and of the charity's net movement in funds 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 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. 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 Trustees' Annual Report. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL VARIETY CHARITY

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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 4 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.

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:

Based on our understanding of the Charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Care Standards Act 2000 and the Care Quality Commission (CQC) (Registration) Regulations 2009, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls. Audit procedures performed by the engagement team included:

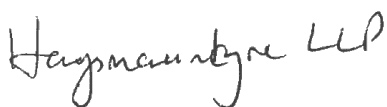
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing the controls and procedures of the Charity to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing and testing journal entries made in the year, particularly those made as part of the year end financial reporting process; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL VARIETY CHARITY

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 regulations made under section 154 of that 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP
Statutory Auditors
Dated: 26 July 2021

10 Queen Street Place
London
EC4R 1AG

