

# NIGHTINGALE HAMMERSON

England & Wales · Charity number 207316

## Details

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Other names	NIGHTINGALE HOUSE, NIGHTINGALE HOUSE (THE HOME FOR AGED JEWS), THE HOME FOR AGED JEWS, NIGHTINGALE
Status	Registered
Legal form	Other
Registered	1962-09-22
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	Nightingale House 105 Nightingale Lane London SW12 8NB
Phone	02086733495
Email	<a href="mailto:info@nightingalehammerson.org">info@nightingalehammerson.org</a>
Website	<a href="http://www.nightingalehammerson.org">www.nightingalehammerson.org</a>

## Activities

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**Objects:** 1) THE RELIEF OF POVERTY, SICKNESS AND DISABILITY AND THE ADVANCEMENT OF HEALTH BY PROVIDING OR ASSISTING IN THE PROVISION OF HOUSING, ACCOMODATION, CARE, FINANCIAL ASSISTANCE AND OTHER ITEMS, SERVICES AND FACILITIES TO BENEFICIARIES.2)"BENEFICIARIES" MEANS (I) PRIMARILY PERSONS OF THE JEWISH FAITH: AND ALSO (II) PERSONS CONNECTED OR ASSOCIATED WITH THE JEWISH COMMUNITY AS THE TRUSTEE SEES FIT; AND (III) SUCH OTHER PERSONS AS THE TRUSTEE SEES FIT; ALL OF WHOM ARE (A) ELDERLY, INFIRM OR DISABLED; AND (B) IN NEED OF CARE OR ASSISTANCE.

**Activities:** Provision of residential, nursing, dementia and respite care

## Classification

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- **How:** Provides Services
- **What:** Other Charitable Purposes
- **Who:** Elderly/old People

## Geography

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- Barnet
- Hertfordshire
- Wandsworth

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-09-30	£27,251,000	£28,812,000	£91,233,000	465
2023-09-30	£23,834,000	£25,730,000	£89,601,000	499
2022-09-30	£19,609,000	£21,779,000	£90,165,000	402
2021-09-30	£15,625,000	£16,095,000	£93,194,000	346
2020-09-30	£16,983,000	£14,772,000	£89,430,000	333

## Trustees

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Name	Role	Appointed
NIGHTINGALE HAMMERSON TRUSTEE COMPANY LIMITED		2012-05-15

**NIGHTINGALE HAMMERSON**

England & Wales - Charity number 207316

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# Accounts

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**Nightingale Hammerson**  
**Annual Report and Financial Statements**

30 September 2024

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## **CONTENTS**

### **Reports**

Reference and administrative information	4
Professional advisors	5
Chairman's report	6
Report of the directors of the corporate trustee	9
Independent auditor's report	28

### **Accounts**

Consolidated statement of financial activities	32
Balance sheet	33
Consolidated statement of cash flows	34
Notes to the financial statements	35

<b>Registered Name</b>	Nightingale Hammerson
<b>Registered Charity Number</b>	207316 governed by a scheme made by the Charity Commission on 30 March 2012
<b>Principal office</b>	105 Nightingale Lane London SW12 8NB
<b>Telephone</b>	020 8673 3495
<b>Facsimile</b>	020 8675 2258
<b>Website</b>	<a href="http://www.nightingalehammerson.org">www.nightingalehammerson.org</a>
<b>Life Patron</b>	Dame Vivien Duffield DBE
<b>President</b>	Harvey Rosenblatt
<b>Vice Presidents</b>	Patricia Beecham Susan Grant
<b>Corporate Trustee</b>	Nightingale Hammerson Trustee Company Limited
<b>Non-Executive Directors and Board Members:</b>	
<b>Chairman</b>	Joanne Black Co-Chair (Resigned 12 October 2024) Paul Althasen Co-Chair
<b>Honorary Treasurers</b>	Russell Nathan
<b>Other directors</b>	Carolyn Balcombe Daniel Dayan (Resigned 2 August 2024) Gill Livingston Ian Grabiner Joanne Black (Resigned 12 October 2024) Keith Barnett Melvin Lawson Paul Althasen Rosalind Taylor Russell Nathan Steven Sharpe

## REFERENCE AND ADMINISTRATIVE INFORMATION

### Senior Leadership Team:

<b>Chief Executive Officer</b>	Jenny Pattinson
<b>Director of Finance</b>	Chelsea Bassom
<b>Director of Care</b>	Chipema Chitambala
<b>Head of Human Resources</b>	Roy Chow
<b>Director of Operations</b>	Ed Davidson
<b>Director of Research, Innovation &amp; Community Engagement</b>	Nuno Santos Lopes

## PROFESSIONAL ADVISORS

**Auditor** HaysMac LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Principal bankers** National Westminster Bank plc  
98 Wandsworth High Street  
London  
SW18 4ZD

**Investment managers** Meridiem Investment Management Ltd  
Riverside House  
2a Southwark Bridge Road  
London  
SE1 9HA

Cazenove Capital  
1 London Wall Place  
London  
EC2Y 5AU

**Solicitors** Womble Bond Dickinson (UK) LLP  
4 More London Riverside  
London  
SE1 2AU

## **CHAIRMAN'S REPORT**

Nightingale Hammerson has completed another productive and successful year, filled with meaningful progress and continued dedication to exceptional care.

This year, we experienced some changes within our trustee structure. My Co-chair, Joanne Black, made the difficult decision to step down. Jo has been an invaluable asset to the charity, and I extend my heartfelt gratitude for her unwavering commitment and support—not only to me personally but also to Nightingale Hammerson, our Residents, and our care teams. She played a crucial role in making our homes a welcoming place for older members of the Jewish community and was instrumental in supporting Jenny Pattinson as she stepped into her role as Chief Executive. Jo also played a key role in the launch of our inaugural Reach by Nightingale Hammerson programme.

After 12 years of dedicated service and exceptional leadership as both Trustee and Chair of the Board, I am delighted to announce that Melvin Lawson has been appointed as President of Nightingale Hammerson. Melvin's wealth of experience, strategic vision, and remarkable fundraising success have significantly shaped our organisation. His leadership was pivotal during the challenges of the Covid-19 pandemic and the redevelopment of Hammerson House, Wohl Campus. As President, he will continue to offer his wise counsel and support me in my role as Chair.

Additionally, I am pleased to recognise Harvey Rosenblatt MBE's extraordinary dedication to Nightingale Hammerson. Harvey has been appointed Honorary President in recognition of his longstanding service as President. His leadership over more than two decades, including his tenure as Chair and Trustee, has been instrumental in many key achievements, particularly the merger of Nightingale and Hammerson and the redevelopment of Hammerson House. His unparalleled experience will continue to benefit our charity, and we owe him our deepest gratitude.

### **Navigating Challenges in Social Care**

The past year has presented significant financial challenges, particularly following last year's budget. Social Care has long been overshadowed by the NHS in terms of funding, and despite our hopes for long-awaited reform, the recent Autumn budget was deeply disappointing. There was a glaring absence of support for the essential services our sector provides on behalf of the NHS. Instead, we face a considerable increase in operating costs due to a substantial rise in National Insurance Contributions (an additional £500k) and under-investment in Local Authority and Continuous Health Care funding for our Residents. These challenges come at a time when we have only just begun to recover from the pandemic, and the cost of care continues to rise. The disparity between the actual cost of care and available funding remains stark.

The ongoing cost-of-living crisis has further impacted our expenses for essentials such as utilities and food supplies. Additionally, the recruitment market continues to struggle, with thousands of vacancies across the care sector. Despite these hurdles, we remain steadfast in our commitment to delivering exceptional care. Under the expert leadership of our Chief Executive, Jenny Pattinson, and our dedicated Senior Leadership Team, we are confident in our ability to navigate these challenges and continue providing outstanding support for our Residents and staff.

## **Innovation and Community Engagement**

Nightingale Hammerson has always been at the forefront of innovation in care. Key initiatives such as our Intergenerational Programme, Care Home Education Centre, and our successful Care Home Research Forum, now in its fifth year, continue to enhance our service delivery.

Last year, we appointed Nuno Lopes, our former Director of Care Services, to the role of Director of Research, Innovation, and Community Engagement. This appointment underscores our commitment to extending our expertise beyond our care homes through our newly launched Reach by Nightingale Hammerson programme. This community engagement initiative aims to provide education and guidance to help older individuals maintain their well-being and independence at home for longer.

With an ageing population and increasing care needs, many older adults face gaps in support. As fewer individuals receive local authority assistance, there is an urgent need to provide resources to help older members of the Jewish community access the care they require. Reach by Nightingale Hammerson seeks to bridge this gap by offering education and support on dementia, healthy ageing, mobility, nutrition, mental health, and carer well-being. Led by our expert professionals, this initiative will empower individuals and families with essential care-related knowledge and skills, extending our mission beyond our residential homes.

## **Future Developments**

A key priority for our charity is the future investment in infrastructure at Nightingale House. The communal areas have not been refurbished in over 25 years, and an exciting redevelopment project is underway to upgrade the facilities and accommodation. This investment will ensure that our spaces remain fit for purpose, sustainable, and aligned with the evolving needs of our Residents.

A shining example of our commitment to modern, high-quality care environments is the recently refurbished Wohl Household at Nightingale House. This beautifully renovated space accommodates forty Residents requiring dementia or nursing care. The newly designed space features stylish furnishings, ensuite showers, and contemporary colour schemes, fostering a warm and welcoming atmosphere. The improvements, including larger ensuite bedrooms, open-plan communal areas with natural light, and enhanced technology, have significantly improved the quality of life for our Residents and created exceptional working conditions for our care teams. The project has successfully preserved the heritage of the building while ensuring its sustainability for years to come. Antonio de Assis, Wohl Household Manager, shared his thoughts on the renovation, "I am overjoyed with our newly completed renovation and am extremely proud of my team; they are strongly committed to delivering outstanding care to all our Residents."

## **Recognising Excellence**

This year, Nightingale Hammerson has received multiple awards, affirming the excellence of our care, facilities, and dedicated teams. These accolades reflect our continuous pursuit of excellence in all areas of our work. I extend my warmest congratulations to all recipients and am deeply proud to see our teams recognised for their exceptional contributions. Please see page 14 for details.

### **A Sincere Thank You**

I would like to extend my heartfelt thanks to everyone who plays a role in delivering care and support to our Residents and their loved ones. Our SLT, our staff, supporters, and generous donors make it possible for us to continue our mission. I look forward to working closely with my fellow Trustees and our Chief Executive, Jenny Pattinson, as we continue to strengthen Nightingale Hammerson's future.

A handwritten signature in black ink, appearing to read 'Paul Althasen', with a stylized, cursive script.

Paul Althasen

Chairman, Nightingale Hammerson

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE

The directors of the corporate trustee of Nightingale Hammerson (herein referred to as 'directors' or 'trustees'), who act as the Trustee Board of the Charity, present the statutory report and accounts for the year ended 30 September 2024. These accounts have been prepared in accordance with the accounting policies set out on pages 34-39 and comply with the charity's governing document, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

### Our Corporate Structure

Nightingale Hammerson's corporate structure comprises two active entities, both ultimately controlled by the directors of Nightingale Hammerson and included in the consolidated accounts. These are:

- Nightingale Hammerson, a registered charity, providing residential and nursing home facilities at two London sites, Nightingale House, in Clapham, and Hammerson House Wohl Campus, in Hampstead Garden Suburb; and
- Chalkford Limited, a company registered in England and Wales, whose business is property construction.

The Charity also has one dormant entity namely, The Friends of Nightingale House.

### Our Charitable Purpose

Nightingale Hammerson exists to be a leading provider of quality relationship-centred care for older Jewish people. We provide residential, dementia, nursing and palliative care services and treat all our residents with respect and dignity.

Our aim is to provide holistic care and support in a safe and stimulating environment using dedicated and trained staff and volunteers. We do this through the operation of two residential and nursing care homes – Nightingale House, in Clapham, and Hammerson House, Wohl Campus, in Hampstead Garden Suburb.

Nightingale House traces its origins back to 1840 in the East End of London. It moved to its current site in Clapham in the early 1900s and has continued to deliver excellent care. Nightingale House was purpose-built to serve residents with residential, dementia, nursing and palliative care needs, either on a permanent basis or respite. The refurbishment of Wohl Household has been completed in December 2024. This refurbishment work will extend to other areas of the home, starting with Sampson Household which has been empty since August 2021.

Nightingale House currently has 5 active households with the following maximum bed capacity:

Households	Dedicated Service	Maximum Bed Capacity
Wine	Residential	45
Sherman	Residential Dementia	45
Osha	Residential	15
Wohl	Nursing Dementia	40
Ronson	Nursing / Palliative Needs	26
<b>Total</b>		<b>171</b>

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

Hammerson House was established some 55 years ago, thanks to an exceptional gift from Mrs Sue Hammerson CBE in memory of her late husband Lewis W Hammerson. For many years it was primarily a residential home although offering some nursing beds and sheltered housing. It was closed for redevelopment in 2017 and re-opened in 2021 as Hammerson House, Wohl Campus. It now provides care to those with residential, dementia, nursing and palliative care needs. Hammerson House, Wohl Campus, has 6 households with the following maximum bed capacity:

Households	Dedicated Service	Maximum Bed Capacity
Isaac Wolfson	Residential	18
Edith Wolfson	Residential	20
Audrey	Residential Dementia	18
Pat	Residential Dementia / Nursing Dementia	20
Wigoder	Nursing Dementia	20
Ronson	Nursing / Palliative Care Needs	20
<b>Total</b>		<b>116</b>

### Our Vision

Our Vision is that through Research, Continual Development and Innovation, we will be the leading provider of Outstanding Care and Support within the Jewish community.

### Our Mission

Our Mission is to be the leading charitable organisation recognised for providing the best Relationship-Centred Care in the UK and to widely share our knowledge, skills, and expertise.

### Our Values

Our values are Compassion, Respect, Excellence, Dignity, Integrity and Teamwork.

### Our Statement of Public Benefit

In setting the aims of the charity, the directors have had regard to the guidance published by the Charity Commission in respect to the provision of public benefit by charities. Nightingale Hammerson is committed to providing the quality level of care to all older Jewish people in need, regardless of their personal financial status. A substantial proportion of residents are in receipt of local authority or other government funding and the Charity raises funds from its donors and benefactors in order to meet the ever-growing shortfall between government funding and the costs of quality care provision.

### Our Trustees

The directors of the corporate trustee act as the Trustee Board of the Charity and their names are as set out on Page 4. The Trustee Board meets formally at least five times a year. Between meetings, directors engage with the Charity, its volunteers and staff in many and varied ways, such as providing guidance on projects, raising funds, serving formally on committees or supporting new initiatives. Directors are appointed via proposal to the Nominations and Governance Committee and serve 3-yearly terms up to a maximum of 10 years (the first year of service is deemed an induction year).

No director received any remuneration or expenses from the Charity during the year.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Committees**

The Charity's committee structure is set up to ensure it can adapt and adequately respond to the evolving challenges facing the charity and the adult social care sector, as a whole.

The main committees of the Board are:

- **Nominations Committee:** Provides guidance on governance, lead on the recruitment of new directors (or trustees), reviews terms of office, and leads on directors' induction, appraisal and training.
- **Finance Committee:** Oversees all financial matters including the budget setting, financial performance, financial planning and the operations and efficiencies committee which consists of SLT members only.
- **Service & Quality Committee:** Oversees service and quality assurance as well as volunteer and events programmes.
- **Audit and Risk Committee:** Oversees the organisational risk assurance framework. It is also responsible for ensuring that the Board is apprised of the principal risks and plans are put in place to mitigate those risks.
- **Nightingale House 2.0 Working Group:** This committee oversees the major refurbishment project for Nightingale House.
- **Investment Committee:** Oversees the investment portfolio and provides instruction to the investment managers in line with the charity's investment policy.
- **Fundraising & Marketing Committee:** Oversees the planning and implementation of fundraising plans, marketing materials and communications externally to boost voluntary donations and capital fundraising income.

The Board of Trustees may also on occasion, set up a task and finish group to provide support to the executive team and oversee the delivery of specific tasks, over a specific period of time.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Our Committees (continued)

Directors, who served during the year, also served on the various committees of the Board as set out below. Every committee and group is supported by lay leaders who are also members of the committees and contribute a wealth of experience and expertise to their respective committees and / or groups.

	NOMS	FINANCE	CARE	AUDIT & RISK	NGH 2.0	INVESTMENT	FUND-RAISING
CAROLYN BALCOMBE			✓	✓			✓
GILL LIVINGSTON			✓				
IAN GRABINER		✓					✓
KEITH BARNETT	✓			✓			
MELVIN LAWSON	✓	✓			✓	✓	✓
PAUL ALTHASEN	✓	✓		✓	✓	✓	✓
ROSALIND TAYLOR			✓	✓			
RUSSELL NATHAN		✓		✓		✓	
STEVEN SHARPE		✓			✓		

### Our People

This year, we had an average of 465 staff, across both homes. One of our areas of focus was the retention and recognition of our amazing people. With the challenges around the cost of living, it was important for the Senior Leadership Team to prioritise the introduction of the London Living Wage as a minimum for our staff. We also reviewed our benefits on offer and surveyed our people to see what is important to them and where we need to invest. This resulted in introducing a new benefits platform, Perkbox as well as initiating a project around the staff pension scheme. We are continuing to enhance the opportunities for our workforce and support their personal and professional development.

### Our Volunteers

Volunteer participation was consistent during 2023-2024 with 135-140 volunteers. Volunteers continue to provide essential support to improve the quality of life of our Residents. By the year end we had an average of 12 active volunteers daily with 50 active hours a day in both Nightingale and Hammerson House.

This year we launched a new Volunteer Strategy with a 12-point delivery plan which include further developing the volunteer programme, improve support for the volunteers and involve volunteers in making key decisions. A new Trustee led Volunteer Committee was formed to support the delivery of the Volunteer Strategy.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Remuneration of Our Senior Team**

Our Senior Leadership Team (SLT) form the key management personnel of the charity and are responsible for the charity's affairs on a day to day basis. Remuneration is benchmarked and set with reference to current market conditions so to ensure that the charity can recruit and retain high calibre staff. Annual pay reviews are approved by the Finance Committee.

### **Employment Policy**

We strive to be an equal opportunity employer and apply objective criteria to assess merit. We aim to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability. Selection criteria and procedures are reviewed to ensure individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate, special training to enable them to progress. Volunteers are coordinated by the Volunteer Development Manager, with recruitment, management, training and supervision policies in place.

### **Our Achievements**

#### **Intergenerational Care**

Nightingale House was the first UK Care Home to open an onsite nursery for children aged 2-5 years. The nursery has introduced a full one day programme each week in the concert hall for various intergenerational programmes involving Residents, staff and both Nursery children and school age children from a local primary school. As always, there are daily programmes for our nursery children and residents to come together and join in fun and active things to do. Nightingale Hammerson and Apples & Honey Nightingale Education and Training now bring regular intergenerational one-day+ courses to our own staff and external attendees.

#### **Nightingale House**

Nightingale House has retained its 'Outstanding' rating by the Care Quality Commission (CQC), following their inspection at the end of 2022. Nightingale House continues to be the only CQC Outstanding care home serving the older Jewish community in the UK and is currently undergoing a significant refurbishment programme to ensure the quality of the environment matches the quality of care.

#### **Hammerson House, Wohl Campus**

Hammerson House became fully occupied in December 2023. In order to keep at full or near full occupancy, we advertise within the Jewish press and have strong relationships with the NHS discharge teams and Local Authority Social work teams. Hammerson House provides residential, residential dementia, nursing dementia, respite, rehabilitative and palliative care for up to 116 people.

#### **Education**

Nightingale Hammerson continues to be endorsed by Skills for Care for the delivery of our educational programmes. This recognises the quality of the education and highlights our commitment to delivering education to all within the organisation. We are very proud of the educational development programme that is available to all staff, at whatever level they may join us. Should a staff member wish to develop

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

their career and skill set, our education team are able to take steps to support this financially and practically.

### **Research**

Research is important to support our ethos of providing innovative and best care practice for all, supporting our residents and staff team on many levels. We partner with universities and senior health professionals to carry out in depth and important studies which directly relate to the provision of best care practice. To support this, we hold our annual Care Home Research Conference, which is now in its 4<sup>th</sup> year. The conference showcases presentations from up to ten health professionals in social care or education who reflect on recent research activities and findings. The conference is hybrid with a wide range of attendees from health care settings, universities, Care England and senior officials in social care, right through to our own staff teams.

### **Therapies and Integrated Care**

We continually review our therapies provision so that it will best support the health outcomes for our residents. Our physiotherapists, occupational therapists, moving & handling specialist and associated therapies' assistants are able to provide more one-to-one sessions for our residents, which also translates into a new form of income for the charity through our private therapies model. We have now welcomed four postgraduate Speech and Language Therapy students and are very pleased to now add our Clinical Psychologist and her students to our wider range of support.

### **Awards**

Nightingale Hammerson have received a number of awards between October 2023 and September 2024, including winning The Nursing Times Workforce Summit & Awards Winner for Non-Clinical Manager of the year, Roshni Shah. As well as an inspiring volunteer award at the National Dementia Care Awards 2024, the Intergenerational Ambassadors Award for our IG work, and the Compassion Award at the 3<sup>rd</sup> Sector Care Awards. We have also recently been awarded the Chief Nursing Officer for Adult Social Care Team award for Outstanding Services to Social Care.

### **Our Plans**

We have been providing exceptional care to the Jewish community for 185 years. Nightingale House is the only Jewish Home for older people in the UK to be rated Outstanding by CQC and we seek to continually build on our strengths and successes to remain a centre of care excellence. We do this by engaging with research, embedding best practice and continually learning from others such as our collaborations with universities and senior health professionals. Importantly, we continue to put pressure on government and use our voice to keep social care on the agenda and to drive the much needed change and investment that is needed to ensure better care provision for all. We do this by embracing research and engaging with key Stakeholders such as Care England, National Institute for Healthcare Research (NIHR) and Social Care Nursing Advisory Boards.

Our strategic priorities, as approved by the Board, are as follows:

#### **1. Those we support will be at the heart of all we do**

- by being the exemplar of Relationship-centered Care (RCC) which will enrich our residents' lives

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Plans (continued)**

- by supporting our volunteers and team members to deliver an exceptional quality of life for those we serve
- by exceeding expectations in the quality and delivery of meals
- by embracing the concept of ‘professional love’ in everything we do; this is demonstrated through showing kindness and compassion, devoting time and attention to people and mostly about creating connection through our shared humanity.

### **2. We will support and embed a culture of innovative care practice, research and education across the organisation**

- by investing in the environment in Nightingale House to ensure it meets and exceeds the changing needs of our residents and provides exceptional facilities for education, development and community engagement
- by embracing new technologies to enhance the lives of our residents and all those we are able to support
- by ensuring we maintain our reputation for providing the ‘Best of Care’ by continual improvement systems and delivering best practice.

### **3. We will embed strong financial stewardship to protect the assets and future of the charity for the benefit of the whole community.**

- by telling the incredible stories about the value of what we do to generate income through various sources
- by delivering a culture of financial accountability ensuring we are receiving best value for money and operating efficiently
- by protecting and monitoring the assets of the charity, ensuring they are used to further our charitable objectives.

### **4. We will be a great organisation to work for**

- by creating a people strategy that will trust, support and develop our people to achieve their goals and ambitions
- by looking after our people by supporting their wellbeing, personal and professional development, define their career paths and ensure fair pay and benefits
- by creating an inclusive, values led place to work where everyone is welcomed, celebrated and supported

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Plans (continued)**

#### **5. We will demonstrate our commitment to providing exceptional care by extending our skills and expertise to the wider community**

- be a recognized centre of excellence for education and development in social care by working with innovative external partners
- by partnering with experts in research and innovation
- by maximising our resources to scale up our offer to meet identified community needs.

#### **6. We will deliver and maintain a high quality, safe and compliant environment for the benefit and wellbeing of all.**

- by introducing a mindset of continuous improvement by measuring our output and evidencing our compliance with regulations and safety requirements.
- by ensuring all environments that residents and team members live and operate within provide a compliant, comfortable and safe place to receive and deliver the best service possible
- by recognizing our responsibility to reduce our carbon footprint and protect the environment for future generations by making wise, cost effective decisions that embed sustainable benefits for our residents and team members.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Financial Review

This review focuses on the year ended 30 September 2024.

At the end of the year, our total income from our charitable activities was £21.6m, an increase of £2.6m from the previous year. Both homes were fully open throughout the year and Hammerson House was full in December 2023. Occupancy rates continue to be a focus of the Senior Leadership Team, particularly at Nightingale House which needs to be managed carefully alongside the refurbishment project. At the year end, we had 98 residents at Nightingale House and 110 at Hammerson House, Wohl Campus, a decrease of 2 and increase of 7 respectively.

As expected, the overall increase in resident numbers resulted in increases to our operational costs, including staffing costs, catering and accommodation costs. Staff costs account for 59% of our total operational expenditure (2023: 60%). Our average staff number decreased slightly from 499 last year to 465. Our vision continues to be extending exceptional care services to Hammerson House, Wohl Campus, and delivering personalised Relationship Centred Care across both homes. To maximise resources, we adopted a cross-site working policy for some administrative staff and the Senior Leadership Team.

Our net expenditure before transfers and gains at the end of the year was £1.6m (2023: net expenditure £1.9m). This upturn in performance is due to a successful fundraising year, in particular a number of legacies left to the charity. Fundraising generated £4.4m in donations and legacies (2023: £3.9m) at a cost of £0.7m (2023: £0.6m), means that for every pound spent we raised £6.50 (2023: £6.36).

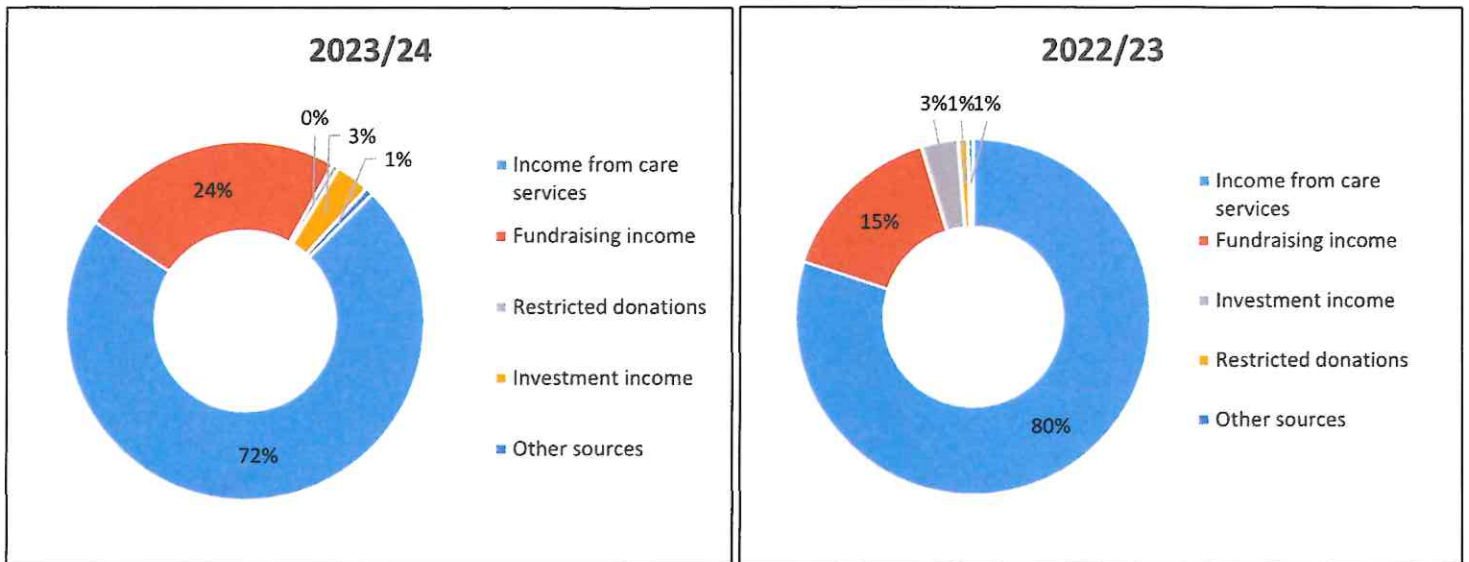
	2024	2023
	£m	£m
Income from care provision	21.6	19.1
Cost of care provision including depreciation	(28.0)	(25.0)
Government related infection control and furlough grants	-	-
Other operating income	0.2	0.1
<b>Operating deficit</b>	<b>(6.2)</b>	<b>(5.8)</b>
Net revenue fundraising income (excluding legacies)	1.4	1.0
Legacies	2.3	2.2
Net income from investments	1.0	0.6
Profit on disposal of fixed assets	-	-
<b>Deficit before investment gains and capital fundraising</b>	<b>(1.5)</b>	<b>(2.0)</b>
Realised gains from investments	0.3	0.2
Unrealised gains/ (losses) from investments	2.3	0.8
Actuarial gains from pension scheme	0.6	0.3

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

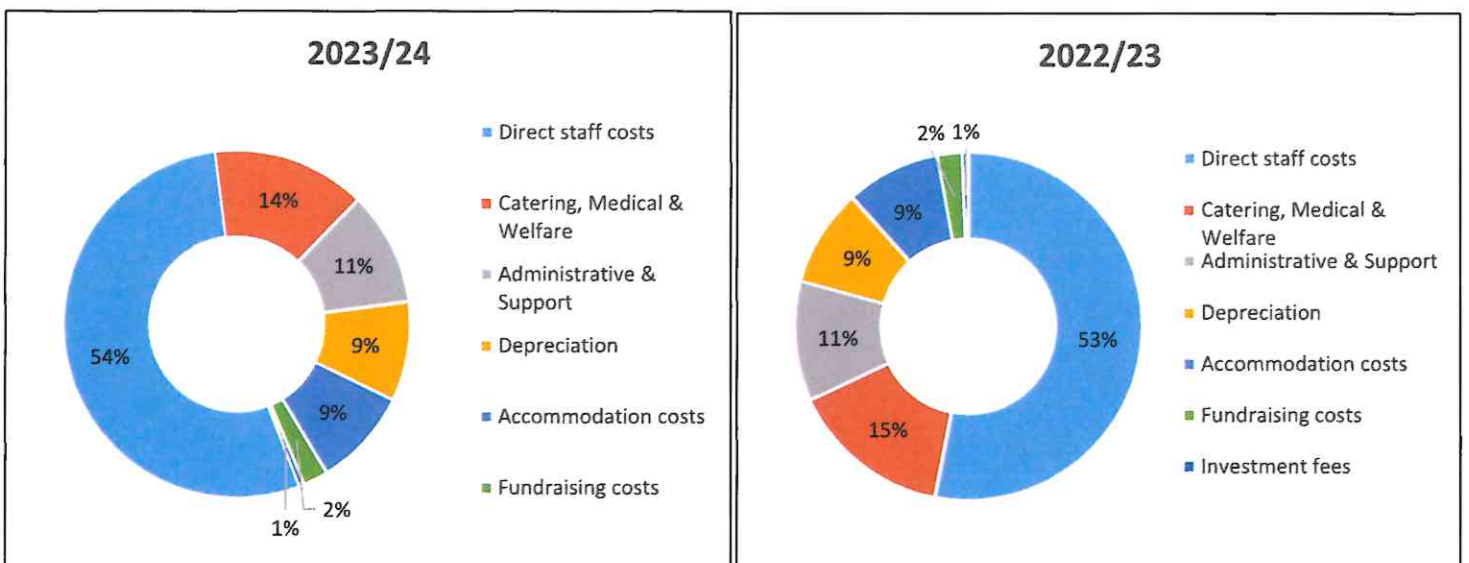
### Financial Review (continued)

Resident numbers averaged 205 for 2023/24 compared to 195 in 2022/23. This resulted in an increase in both fee income and operational expenditure. A deficit before investment and pension asset gains of £1.5m was generated, compared to a deficit of £2.0m in 2023. Fundraising income, including legacies increased by £0.5m. The performance of the investment portfolios improved resulting in an unrealised gain of £2.3m compared to £0.8m in 2022/23.

#### Where our income came from



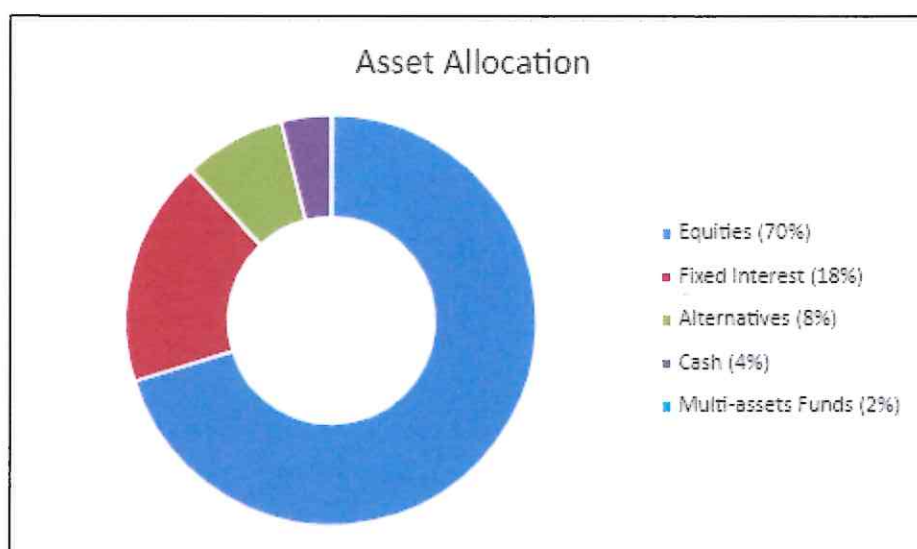
#### Where the money was spent



## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Investment Policy and Performance

As at the end of September 2024, the charity's listed investments totalled £26.20m (2023: £23.32m), of which £1.02m relates to cash instalments (2023: £0.65m), £4.68m is fixed interest and other bonds (2023: £4.30m), £18.39m is equities (2023: £15.72m) and £2.11m is alternative investments (2023: £2.28m). the asset allocation is illustrated below:



As part of maintaining good financial stewardship of the charity's resources, the directors appoint two fund managers to manage the investment portfolio. The Board sets the investment mandate which is targeted at achieving total or real returns on a rolling 5 year period with an emphasis on capital growth. The Board's risk appetite is set as medium risk, in line with the Asset Risk Consultants (ARC) Group indices. The fund managers have full discretion to invest the charity's funds according to the investment mandate and the set target of attaining (or outperforming) UK CPI +3%, net of all fees. The Investment Committee receives periodic updates from both fund managers and provides an update on performance at every Trustee Board meeting.

The two fund managers are Meridiem (formally known as Veritas) and Cazenove. Unrealised gains for 2023/24 totalled £2.36m (2023: £0.89m) of which 60% (2023: 99%) was generated by the Meridiem portfolio. The total return for Meridiem over the last 12 months was 12.1%, for Cazenove this was 12.7% and estimated annual income yield 1.1% for Meridiem and 1.85% for Cazenove.

The continued rally in global equity markets which was noted in the first quarter of 2024 has persisted, after a brief pause in April. Since then, the further rise in stock markets has been concentrated very heavily in the leading US technology stocks (particularly those associated with the AI theme), at least until towards the end of 2023/24 when the market gains began to broaden, following a short-lived shake out in the prices of the leading stocks in late July and early August. Over the course of 2023/24, returns from bonds have now entered positive territory and interest rate cuts have begun or are anticipated in

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Investment Policy and Performance (continued)**

many of the major economies. Against this backdrop, it is also worth noting that Sterling strengthened, which has reduced the returns from global equities for Sterling dominated investors.

Both managers have generated sound returns this year, in line with expectations given the market environment and their respective styles and approaches, and also broadly in line with the peer group average.

### **Free Reserves**

An important role for our Board of Trustees is to manage the long-term sustainability of the charity. We have therefore set our reserves policy to:

1. Partly fund the funding gap between fee income and cost of care
2. Ensure we are resilient and have the financial capability to momentarily respond to unforeseen financial difficulties
3. Allow investment in the refurbishment of Nightingale House, technological advancement, energy efficiency schemes and estates and facilities management
4. Enable future expansion of our services to the elderly members of the community.

We have calculated our free reserves as that part of the charity's unrestricted income funds that is freely available after taking account of the tangible fixed assets, restricted, endowment and designated funds earmarked for specific projects. We have considered that given the nature of the charity's work, political uncertainty around social care funding, economic uncertainties, impact on disposable income, stock market volatilities and the growing demand for elderly care, the level of free reserves should be equivalent to at least 6 to 12 months' expenditure.

We are also of the opinion that the free reserves should afford the charity the flexibility to cover temporary shortfalls in incoming resources either due to the timing difference in cash flow or funding shortfall. As at 30<sup>th</sup> September 2024 the charity held free reserves of £22.8m. Based on the 2023/24 results, the free reserves cover 9.8 months of operational expenditure. Free reserves are therefore in line with requirements.

### **Going Concern**

The charity continues to benefit from support from the community, high performing investment portfolios and currently has a waiting list of potential residents for Hammerson House. The 3 and 10-year financial forecasts shows the charity's ability to meet its financial commitment for the foreseeable future. As such, the Board of Trustees is comfortable that the accounts have been prepared on a going concern basis.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Fundraising for our Charitable Objectives**

Fundraising continues to be one of the most important activities we undertaken to ensure the longevity of our charity and the delivery of exceptional care. Care needs have become increasingly more complex and the impact of government initiatives such as the increases to the National Living Wage, pension reform and with future plans for an increase in employer National Insurance costs, the need to fundraise to support core funding has never been greater.

There was hope within the sector that a change of government would bring Social Care funding reform to tackle the on-going funding crisis. However, it is clear that this will not be forthcoming until at least 2028. Without significant additional funding for Local Authorities and Integrated Care Boards, so they can cover the real cost of high quality care, we will continue to rely on fundraising to fill the gap between the cost of care and the funds received to deliver it. We are a voice in the social care sector through our membership of the policy Board of Care England and through the Jewish Leadership Council and will continue to raise these serious concerns at a higher level until our voice is heard.

In order to provide the same level of care to all residents, we have to raise in the region of £4.0m per annum through fundraising activities and legacies. This amount will only increase as the differential grows between costs of care on the one hand and government funding on the other.

Our donors and benefactors have continued to give generously, for which we are very grateful. We raised £1.42m (net fundraising income) in the year to support day to day operations with an additional £2.32m received from legacies. The publicity within the community surrounding the Hammerson House, Wohl Campus, development created a natural opportunity for us to raise awareness of what makes Nightingale Hammerson special. Building development does not stop and our upcoming planned renovation and capital programme for Nightingale House is our new fundraising challenge for 2024 onward. Nightingale House is huge and costly to manage and our plans to 'right size' the home is vital so that we can ensure the home is sustainable for the future community that we serve.

Our heartfelt thanks go to all our donors.

### **Our Commitment to the Fundraising Code of Practice**

Nightingale Hammerson is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We aim to achieve best practice in the way we communicate with our donors and other supporters. Our supporters are at the heart of our ability to fulfil our mission. Following continued scrutiny of fundraising practices across the sector, we have reviewed our systems to ensure that formal consent is gained from all those whom we wish to contact for fundraising purposes. By reviewing our processes, we aim to achieve the standards set out in the Fundraising Code of Practice and ensure compliance with the General Data Protection Regulation. We do not employ third party professional fundraisers or commercial organisations to fundraise on our behalf. We recently undertook a crowd funding fundraising event where the service of a third party charity was employed to provide the technology and campaign expertise needed to make the event a success. We remained the Data Controller and ensured appropriate due diligence were undertaken prior to engaging that firm.

Also in compliance with the Fundraising Code of Practice, we do not take part in any intrusive or high-pressure fundraising activities such as street fundraising, door-to-door or cold-calling. We listen to

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

feedback and investigate any complaints regarding our fundraising activities. During the year, we received no complaints about our fundraising activities.

### **Principal Risks and Uncertainty**

#### **Our Approach to Risk Management**

Risk is inherent in our operations and the decisions made in pursuit of our charitable goals. The Board of Trustees is responsible for the nature and extent of the principal risks that we are willing to take. It reviews the principal risks to the organisation and ensures that risks are effectively managed through our governance structure. The Board delegates the detailed review of operational risks to the Audit and Risk Committee who review both financial and non-financial risk registers. Our principal risk portfolio will continue to be reviewed by the Board as relating to our strategic priorities. The sub-committees of the Board, namely the Care, Finance and Investment Committees, have continued to focus on more in-depth management of our day-to-day responses to risks. Our principal risks with mitigating actions are:

#### **Risk of harm/injury to Residents**

The very nature of the Residents living in the homes means they are at risk of injury. Each resident has a suite of risk assessments relating to their mobility and all care related risks. Those assessed at high risk of falls have mitigating actions in place, such as one to one care, mobility equipment, movement alarms and impactful physiotherapy. We have a number of policies, procedures and guidance for staff as well as access to expert clinicians on-site.

#### **Adequate Buildings**

Failure to maintain the buildings to a safe/fit for purpose or compliant states represents a risk to both Residents and Team Members. This risk is higher at Nightingale House given the age and condition of the building. The Nightingale 2.0 Steering Committee has agreed a strategy to uplift all residential areas of the home including updated equipment and furniture as well as décor. A building conditions survey for Nightingale House has been undertaken and outcomes aligned with planned maintenance schedules. Business Continuity Plans are in place to cover any likely incidents and there are agreements in place with specialised contractors.

#### **Cyber Security**

The failure to develop and maintain adequate or effective cyber security and controls would increase the risk of potential exposure or loss resulting from a cyberattack or data breach. The Charity was subject to a cyber attack in December 2024. Since this incident third party audits have taken place and all recommendations have been implemented. Staff have been trained on cyber security threats and regular tests are carried out.

#### **Occupancy Levels**

Occupancy levels at Nightingale House have been steadily falling over a number of years. The inability to stabilise occupancy levels and maintain high levels at Hammerson House would have a significant financial impact for the charity. The previously mentioned refurbishment programme at Nightingale House will bring the accommodation standards in line with those at Hammerson House. A sales and marketing initiative has been implemented with additional staff resource brought in to respond to this

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty (continued)**

risk. Nightingale House is a large building, management continue to explore opportunities to generate income from currently empty space.

### **Recruitment and Retention**

The failure to recruit and retain the right people with relevant skills, values and behaviours would create a number of challenges to the charity, including reputational damage. In April 2024 Nightingale Hammerson made the decision to pay staff the London Living Wage. Employee benefits are also being looked at with a number of improvements planned for 2025. An Investors in People (IIP) Survey took place during 2023/24 with an action plan in place to drive employee satisfaction. The charities values are at the heart of recruitment and supervision processes. Management lead by example and staff are cared for well.

### **Security Incidents, including Terrorism**

The crisis in Israel has increased the risk of anti semitic incidents and possible terror threat in both homes. Senior management are in regular contact with Community Security Trust (CST) and the Metropolitan Police and are constantly monitoring the situation internally and externally. Staff have had Project Griffin training and, Crime Awareness & Counter Terrorism training, delivered by the Metropolitan police. Access control is in place across both sites and the buildings have the necessary alarms and CCTV in communal and outside areas.

### **Financial**

The cost of providing outstanding care continues to grow and exceeds the level of income generated by care fees. In particular the recent changes to employers national insurance has resulted in an additional £0.5m of cost per year. The number of residents that require funding and therefore a charitable subsidy continues to grow. Commissioners' uplifts do not come close to meeting the cost of care. The charity has good financial stewardship and regularly monitors performance through monthly management accounts and other reporting. Quarterly reforecasts are carried out in addition to the annual budget process and any risks or potential challenges are reported to Trustees. There are a number of strategic projects underway to support efficiencies and reduce expenditure and/or increase income. The charities investments are monitored by a highly skilled investment committee.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Energy and Greenhouse Gas Report

We remain committed to measuring and reducing our energy consumption and the carbon impact of our operations on the physical environment. Nightingale Hammerson has appointed Carbon Footprint Ltd, a leading carbon and energy management company, to independently assess its Greenhouse Gas (GHG) emissions in accordance with the UK Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'.



CO<sub>2</sub>e  
Assessed  
Organisation

The GHG emissions have been assessed following the GHG Protocol Corporate Standard and has used the 2023 emission conversion factors published by Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). The assessment follows the dual reporting approach for assessing Scope 2 emissions from electricity usage. The operational control approach has been used.

There has been a change to the baseline year emissions to include emissions from Well-to-Tank as these were not previously calculated. The new baseline year total GHG emissions can be found in the 2022/23 Carbon Footprint report.

The table below summarises the GHG emissions for reporting year: **1<sup>st</sup> October 2022 to 30<sup>th</sup> September 2023.**

Scope	Emission Source	Location-Based (tCO <sub>2</sub> e)	Market-Based (tCO <sub>2</sub> e)
1	Natural Gas	370.42	370.42
	Owned Vans	9.77	9.77
Scope 1	<b>Subtotal</b>	<b>380.19</b>	<b>380.19</b>
2	Electricity	549.71	976.18
Scope 2	<b>Subtotal</b>	<b>549.71</b>	<b>976.18</b>
3.3	Scopes 1 and 2 WTT	185.42	185.42
	Transmission and Distribution	58.11	58.11
Scope 3	<b>Subtotal</b>	<b>243.53</b>	<b>243.53</b>
All	<b>Total tCO<sub>2</sub>e</b>	<b>1,173.43</b>	<b>1,599.89</b>
	<b>Total tCO<sub>2</sub>e per employee (FTE)</b>	<b>2.35</b>	<b>3.21</b>
	<b>Total tCO<sub>2</sub>e per £M Turnover</b>	<b>49.23</b>	<b>67.13</b>
SECR	<b>Total energy consumption (kWh)</b>	<b>4,718,347</b>	

We are delighted to be able to show we have reduced our total greenhouse gas emissions by 19.9% since last year.

During the year, working areas were moved around and condensed at Nightingale House to allow a floor of the building to be 'switched off' and save of energy emissions. This is still underway with the final moves expected in February 2025. The SLT also made a decision to remove all disposables used by the outsourced catering providers. These were re-introduced during the covid pandemic for infection control.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Streamlined Energy and Carbon Reporting (continued)

During the last year we also completed a detailed Energy Savings Opportunity Scheme (ESOS) energy audit of our energy use and have a number of recommendations we are now in the process of implementing.

Activity	Baseline Year 2019/20	Previous Year 2021/22	Current Year 2022/23
Total energy consumed (kWh)	4,882,296	2,469,442	4,718,347
Total Gross Location-Based Emissions (tCO <sub>2</sub> e) *	999.95	1,178.21	929.90
<b>Total Gross Market-Based Emissions (tCO<sub>2</sub>e) *</b>	-	-	<b>1,356.37</b>
<b>Total Net Market-Based Emissions (tCO<sub>2</sub>e)</b>	-	-	<b>TBC</b>
<b>Intensity ratio: tCO<sub>2</sub>e (gross Scope 1 &amp; 2, market-based) per £M revenue</b>	<b>82.56</b>	<b>60.40</b>	<b>39.02</b>

Our energy efficiency and sustainability policy is still focussed on:

- **Measuring our carbon footprint:**  
We will continue to measure our carbon footprint and report this as part of the charity's annual reports, annual review and on our website. Measuring our emissions will enable us to analyse our consumption levels and set SMART targets to reduce levels year on year.
- **Going green:**  
We will seek ways of making our homes and offices more environmentally friendly such as choosing an energy provider that uses renewable energy or use low carbon alternatives where safe. As part of our property refurbishment programme, we will replace our fluorescents with LED lighting, install lighting controls and sensors and promote switching off lights when not needed. We will also encourage staff to switch off computers and any other appliances, improve our Heating, Ventilation and Air-Conditioning (HVAC) systems and look to re-schedule timing of some activities, where practicable, to conserve energy.
- **Reduce, reuse, recycle:**  
We will recycle what we can, reduce what we use and reuse or upcycle items. We promote recycling by ensuring there are recycling bins around the homes and offices. We will also seek to move away from single use plastics as best as possible.
- **Our Stakeholders:**  
We will maximise our residents' access to the natural environment for the benefit of health and wellbeing. We will seek donors and partners with energy efficiency focus to support us on our journey to net zero carbon. Where net zero carbon emission cannot be achieved, we will invest in projects that allow the charity to offset its net emissions. We will ask our suppliers and contractors about how they are demonstrating their commitment to energy efficiency and sustainability as part of our procurement processes.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

- ***Reduce your digital footprint:***

We will endeavour to reduce our digital footprint too by assessing how environmentally friendly our website and digital products are, promoting a digital culture above print, using recycled papers for our printing and embracing other digital energy efficiency initiatives. We will embrace new technologies and enhance existing technologies wherever possible.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report of the directors of the corporate trustee and accounts 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 directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity, of the income and expenditure of the charity for that period.

In preparing these accounts, the directors are 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 financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's governing document.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Director

Date of approval: 25th April 2025

## **INDEPENDENT AUDITOR'S REPORT**

### **Independent auditor's report to the corporate trustee of Nightingale Hammerson**

#### **Opinion**

We have audited the financial statements of Nightingale Hammerson for the year ended 30 September 2024 which comprise the consolidated and parent charity statement of financial activities, group and parent charity balance sheets, the consolidated statement of cash flows 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 group's and of the parent charity's affairs as at 30 September 2024 and of the group'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 group 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 group'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.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Chairman's Report and 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.

### **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 parent charity; or
- sufficient accounting records have not been kept; or
- the parent 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 26, 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 group's and the parent 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 group or the parent 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.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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 group 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:

Inspecting correspondence with regulators and tax authorities;

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### 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.

HaysMac LLP

HaysMac LLP

Statutory Auditors

Date: 16/05/2025

10 Queen Street Place

London

EC4R 1AG

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

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2024

		Unrestricted Funds			2024	2023	
		General	Designated	Restricted	Total	Total	
		Fund	Fund	Fund	Funds	Funds	
Note		£'000	£'000	£'000	£'000	£'000	
<b>Income from:</b>							
Donations and legacies							
	Revenue purposes	2	4,198	-	222	4,420	3,832
	Capital purposes	2	-	-	(35)	(35)	21
	Investments and short term deposits	3	952	-	65	1,017	793
Charitable activities							
	Provision of residential and nursing care	4	21,632	-	-	21,632	19,055
	Government's infection control grant		-	-	-	-	20
	Other sources		118	-	99	217	113
<b>Total income</b>			<b>26,900</b>	<b>-</b>	<b>351</b>	<b>27,251</b>	<b>23,834</b>
<b>Expenditure on:</b>							
Raising funds							
	Generating donations and legacies	5	624	-	51	675	606
	Investment management costs		149	-	-	149	147
Charitable activities							
	Provision of residential and nursing care	6	25,084	2,043	861	27,988	24,977
<b>Total expenditure</b>			<b>25,857</b>	<b>2,043</b>	<b>912</b>	<b>28,812</b>	<b>25,730</b>
<b>Net income/(expenditure) for the year before transfers and gains/(losses) on investments</b>			<b>1,043</b>	<b>(2,043)</b>	<b>(561)</b>	<b>(1,561)</b>	<b>(1,896)</b>
Transfers between funds							
		19	(2,606)	2,643	(37)	-	-
Gains/(losses) on investments							
	Realised gains on disposal of investments	16	274	-	-	274	196
	Unrealised gains/ (losses) on investments	16	2,364	-	-	2,364	848
<b>Net income/(expenditure) for the year</b>			<b>1,075</b>	<b>600</b>	<b>(598)</b>	<b>1,077</b>	<b>(852)</b>
<b>Other recognised gains and losses</b>							
	Actuarial gains on pension scheme		555	-	-	555	288
<b>Net movement in funds</b>			<b>1,630</b>	<b>600</b>	<b>(598)</b>	<b>1,632</b>	<b>(564)</b>
Funds brought forward at 1 October 2023			24,474	52,712	12,415	89,601	90,165
<b>Funds carried forward 30 September 2024</b>		21	<b>26,104</b>	<b>53,312</b>	<b>11,817</b>	<b>91,233</b>	<b>89,601</b>

The consolidated statement of financial activities includes the results of Nightingale Hammerson and Chalkford Limited.

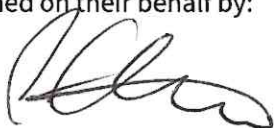
All of the figures included in the above consolidated statement of financial activities derive from continuing activities of the charity and its subsidiaries.

## BALANCE SHEET

As at 30 September 2024

		2024		2023	
	Note	Group	Charity	Group	Charity
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	14	48,206	50,498	48,222	50,517
Investments	16	26,449	26,450	23,573	23,574
		<b>74,655</b>	<b>76,948</b>	71,795	74,091
<b>Current assets</b>					
Debtors	17	7,467	7,466	5,457	5,842
Short term deposits		8,121	8,121	10,151	10,151
Cash at bank and in hand		1,915	1,855	3,309	3,117
		<b>17,503</b>	<b>17,442</b>	18,917	19,110
<b>Creditors:</b>					
amount falling due within one year	18	(4,186)	(4,134)	(3,817)	(4,050)
<b>Net current assets</b>		<b>13,317</b>	<b>13,308</b>	15,100	15,060
<b>Total assets less current liabilities</b>		<b>87,972</b>	<b>90,256</b>	86,895	89,151
Pension scheme asset	23	3,261	3,261	2,706	2,706
<b>Total net assets</b>		<b>91,233</b>	<b>93,517</b>	89,601	91,857
<b>Funds and reserves</b>					
<b>Charitable funds</b>					
Restricted funds	19	11,817	11,828	12,415	12,426
Unrestricted funds					
Designated funds					
Hammerson House building fund	20	-	-	-	-
Nightingale House building fund	20	8,500	8,500	8,500	8,500
Maintenance fund	20	3,500	3,500	3,500	3,500
Tangible fixed assets fund	20	41,312	43,594	40,712	42,994
		<b>53,312</b>	<b>55,594</b>	52,712	54,994
General fund		22,843	22,834	21,768	21,731
Pension reserve	23	3,261	3,261	2,706	2,706
	21	<b>91,233</b>	<b>93,517</b>	89,601	91,857

Approved by the directors of the corporate trustee  
And signed on their behalf by:



Director of corporate trustee  
Approved on: 25th April 2025

## CONSOLIDATED STATEMENTS OF CASH FLOW

For the year ended 30 September 2024

		2024	2023
		£'000	£'000
<b>Cash flows from operating activities</b>			
Net Cash (used in) operating activities	A	(1,285)	(1,957)
<b>Cash flows from investing activities</b>			
Investment income		1,017	793
Purchase of tangible fixed assets		(2,644)	(1,138)
Investment additions		(6,673)	(5,008)
Investment disposals		6,398	9,288
Movement in investment cash		(237)	266
Cash matured from/(placed on) deposit		2,030	(2,137)
<b>Net cash provided by (used in) investing activities</b>		<b>(109)</b>	<b>2,064</b>
Change in cash and cash equivalents in the year		(1,394)	107
Cash and cash equivalents at 1 October 2022		3,309	3,202
<b>Cash and cash equivalents at 30 September 2023</b>	B	<b>1,915</b>	<b>3,309</b>

### Notes to the consolidated statement of cash flows for the year to 30 Sept 2023

A Reconciliation of net movement in funds to net cash (used in) operating activities

	2024	2023
	£'000	£'000
<b>Net movements in funds (as per the statement of financial activities)</b>	<b>1,632</b>	<b>(564)</b>
Adjustments for:		
Depreciation charge	2,660	2,342
Gains on investments	(2,364)	(848)
Investment income	(1,017)	(793)
Increase in value of pension asset	(555)	(288)
Increase in debtors	(2,010)	(2,143)
Increase in creditors	369	337
<b>Net cash used in operating activities</b>	<b>(1,285)</b>	<b>(1,957)</b>

B Analysis of cash and cash equivalents

	2024	2023
	£'000	£'000
Cash at bank and in hand	1,915	3,309
<b>Total cash and cash equivalents</b>	<b>1,915</b>	<b>3,309</b>
Short term deposits	8,121	10,151
Cash held with investment managers	882	645
<b>Total</b>	<b>10,198</b>	<b>14,105</b>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. PRINCIPAL ACCOUNTING POLICIES**

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

#### **Basis of preparation**

These accounts have been prepared for the year to 30 September 2024 with comparative information given in respect to the year to 30 September 2023.

The accounts 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 accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102), 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 accounts are presented in sterling and rounded to the nearest thousand pounds.

#### **Going Concern**

The directors, after reviewing the charity's financial performance, operating budget, investment plans, fundraising strategy and financial forecasts, consider that the charity have sufficient funding to continue to provide residential, nursing, dementia and palliative care for the foreseeable future. The directors have assessed the prospects of the charity over a three-year period to September 2025. This has taken into account the business models, strategic aims, risks and mitigations of the micro and macro-economic factors as affecting the charity. Based on this assessment, the directors continue to adopt the going concern basis in preparing the accounts.

In determining the going concern basis of preparing the accounts for the year ended 30 September 2024, the directors are required to consider whether the charity can continue in operational existence for a period of at least 12 months from the approval of the accounts. As at 30 September 2024, the total assets less current liabilities of the group were £88m while the total net assets were £91m. Liquidity as at that date was £10.9m made up of £1.9m cash and cash equivalents, £8.1m of short term deposits and £0.9m cash held with investment managers.

In addition to the increased operational growth capacity, the charity:

- Does not have or intend to have long term borrowings over the assessed period. Gearing ratio and interest cover is nil.
- Reviewed the true cost of care and plan to increase fees accordingly.
- Plans to invest in Nightingale House to improve resident numbers and grow the charitable activities
- Has an investment portfolio, including investment property, of £26.4m as at 30 September 2024.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. PRINCIPAL ACCOUNTING POLICIES (continued)**

The operating model included some downside scenarios such as occupancy numbers falling below budget, higher pay rates, higher costs or lower fundraising income than projected. The impact of the downside scenarios were reviewed against the charity's projected cash position and investments. Should the worst case scenario occur, mitigating actions will include divesting part of the charity's investments to maintain the ideal liquidity level and financially viable in the going concern assessment period.

#### **Basis of consolidation**

The statement of financial activities and balance sheet consolidate the accounts of the charity and its group undertakings (listed below) made up to the balance sheet date.

- Chalkford Limited, a UK trading subsidiary which is a property construction company.
- Friends of Nightingale House, a charitable trust no longer operational but having had the purpose of raising funds on behalf of Nightingale Hammerson.

Intra-group transactions are eliminated in full.

#### **Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the directors of the corporate trustee and management to make significant judgements and estimates.

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

- assessing the probability of the receipt of legacy income
- estimating accrued expenditure
- determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure
- estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge
- estimating the market value of investment property
- assessing the recoverability of outstanding debtors for residential and care home fees
- assessing the appropriateness of the assumptions made by the actuary in arriving at the actuarial valuation of the charity's defined benefit pension scheme
- determining the value of designated funds set aside at the year end.

#### **Income recognition**

Income is recognised in the period in which the group and/or charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

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

### **1. Principal Accounting Policy (continued)**

The group's main income source of income is from its charitable activities including care home residential, dementia and nursing fee income. Other income sources include donations, legacies, income from fundraising events, income from investments and interests from short term bank deposits and other sources.

Donations are recognised when the charity and/or group has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amounts are only accrued once formal pledge agreements are in place; if no such agreements exist the donations are recognised on receipt. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the amount can be reasonably estimated, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured, or estimated, reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity and/or group, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

Investment income is recognised once the dividend or similar income has been declared and notification has been received of the amount due.

Interest on funds held on short term deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Interest on fixed interest, fixed term deposits is recognised evenly across the deposit term.

Fees for residential and nursing care are recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. They are measured at the fair value of the consideration received or receivable based on agreements with residents and funding agencies, excluding any relevant value added tax.

Income from other sources is measured at fair value and on an accruals basis.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

#### Expenditure recognition

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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings as described in Note 7. The classification between activities is as follows:

- Expenditure on raising funds includes: the salaries, direct costs and overheads associated with generating donated income and legacies; the fees paid to investment managers in connection with maintaining the portfolio of listed investments; and the expenditure of the Charity's trading subsidiary in the UK.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of charitable activities i.e. the provision of holistic quality care to older Jewish people. This includes expenditure on residential and nursing care and the depreciation of those assets used for care purposes.

All expenditure is stated inclusive of irrecoverable VAT.

#### Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity, it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Support costs and governance costs are apportioned based on the allocation basis as described in Note 7 to these accounts.

#### Tangible fixed assets

All items of furniture, fittings and equipment with a value in excess of £1,000 and which have an expected useful life exceeding one year are capitalised and depreciated. Depreciation is not charged on buildings under construction or on freehold land. The depreciation charges applied to assets on a straight line basis over their estimated useful life are as below:

Property (Freehold and Leasehold):	Development substructure	100 years
	Development super structure	65 years
	Freehold property	25 to 50 years
	Development external works	30 years
	Development Mechanical and Engineering	25 years
	Development finishes, fittings (not loose)	20 years
	Café and kitchen	15 years
Plant:	Plant	10 years
Furniture, Equipment & Vehicles:	Loose fixtures and fittings	5 years
	Motor vehicles	4 years

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

### **1. Principal Accounting Policy (continued)**

#### **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. The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Properties held for investment are included in the accounts at their estimated current market value as determined by the directors of the corporate trustee after consultation with their professional property advisers.

Investments in UK trading subsidiaries are included in the accounts at cost with provision being made for any permanent diminution in value.

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 combined in the statement of financial activities and are credited (or debited) 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. Cash held by investment managers as part of their management strategy is included in fixed asset investments.

#### **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.

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

### **1. Principal Accounting Policy (continued)**

#### **Fund structure**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the directors.

The designated funds are monies or assets set aside out of general funds and designated for specific purposes by the directors.

The tangible fixed assets fund represents the net book value of the tangible fixed assets used for the support of the work of the charity and/or group.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Non-charitable trading funds consist of the retained assets of activities conducted through non-charitable trading subsidiary.

#### **Pension contributions**

The charity has a defined benefits pension scheme which is closed to new members. The assets of the scheme are held and managed separately from those of the charity. Pension scheme assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset to the extent that the charity is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. Any change in the asset or liability between balance sheet dates is reflected in the statement of financial activities in recognised gains and losses for the period.

The charity also contributes to the defined contributions scheme and contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2. INCOME FROM DONATIONS AND LEGACIES

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2024 Total Funds</b>	<b>2023 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations	1,878	222	<b>2,100</b>	1,589
Hammerson House capital fund	-	(35)	<b>(35)</b>	16
Legacies				
Revenue donations	2,320	-	<b>2,320</b>	2,243
Capital fund	-	-	-	5
<b>2024 Total Funds</b>	<b>4,198</b>	<b>187</b>	<b>4,385</b>	<b>3,853</b>
2023 Total Fund	3,643	210	3,853	

### 3. INCOME FROM INVESTMENTS

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2024 Total Funds</b>	<b>2023 Total Funds</b>
	£'000	£'000	£'000	£'000
Income from listed investments by fund manager				
Investment Income Meridiem	138	-	<b>138</b>	87
Investment Income Cazenove	170	65	<b>235</b>	213
	308	65	<b>373</b>	300
Rental income	8	-	<b>8</b>	8
Interest receivable	636	-	<b>636</b>	485
<b>2024 Total Funds</b>	<b>952</b>	<b>65</b>	<b>1,017</b>	<b>793</b>
2023 Total Funds	728	65	793	

### 4. INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2024 Total Funds</b>	<b>2023 Total Funds</b>
	£'000	£'000	£'000	£'000
Maintenance contributions receivable	21,632	-	<b>21,632</b>	19,055
<b>Total maintenance contributions receivable</b>	<b>21,632</b>	<b>-</b>	<b>21,632</b>	<b>19,055</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5. EXPENDITURE ON GENERATING DONATIONS AND LEGACIES

	General Fund	Designated Fund	Restricted Fund	2024 Total Funds	2023 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Group</b>					
Staff costs	204	-	-	204	270
Fundraising, legacy and appeal expenses	395	-	51	446	302
Support costs (Note 7)	25	-	-	25	34
<b>2024 Total Funds</b>	<b>624</b>	<b>-</b>	<b>51</b>	<b>675</b>	606
2023 Total Fund	606	-	-	606	

### 6. EXPENDITURE ON PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Designated Fund	Restricted Fund	2024 Total Funds	2023 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Group</b>					
Staff costs	15,281	-	184	15,465	13,629
Catering and food	3,034	-	1	3,035	2,766
Premises day to day costs	2,606	-	15	2,621	2,249
Medical, care and welfare costs	1,051	-	43	1,094	1,088
Support costs (Note 7)	3,112	-	-	3,112	2,903
Depreciation (Note 14)	-	2,043	618	2,661	2,342
<b>2024 Total Funds</b>	<b>25,084</b>	<b>2,043</b>	<b>861</b>	<b>27,988</b>	24,977
2023 Total Fund	22,605	1,802	570	24,977	

### 7. SUPPORT COSTS

The support costs and the basis of their allocation were:

	Generating donations and legacies	Provisions of residential and nursing care	Total	Basis of apportionment
	£'000	£'000	£'000	
<b>Group</b>				
Support Staff Cost	11	1,340	1,351	Head count
Administrative and Governance costs	4	469	473	Head count
Information and Communication				
Technology	3	409	412	Head count
Insurance	3	351	354	Head count
Human Resources and Volunteering	4	543	547	Head count
<b>2024 Total - Group and Charity</b>	<b>25</b>	<b>3,112</b>	<b>3,137</b>	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 8. UK TRADING SUBSIDIARY

Nightingale Hammerson owns the entire called up ordinary share capital of Chalkford Limited, a property construction company (company registration number 01001396).

	2024	2023
	£'000	£'000
<b>Chalkford Limited</b>		
Turnover	-	68
Cost of sales	-	(6)
Administrative expenses	-	(4)
Operating profit	-	58
Interest payable	-	-
Profit before Gift Aid	-	58
Amount donated to Nightingale Hammerson	-	(58)
Gift aid adjustment in respect to earlier periods	-	-
Profit on ordinary activities before taxation	-	-
Taxation	-	-
Retained profit	-	-

At 30 September 2024, Chalkford Limited had retained profits of £8k (2023: retained profits of £8k) and called up share capital of £1k (2023: £1k). The results and the balance sheet figures have been consolidated on a line by line basis within the accounts of Nightingale Hammerson.

### 9. NET (EXPENDITURE) INCOME FOR THE YEAR

This is stated after charging:

	General Fund	Designated Fund	Restricted Fund	2024 Total Funds	2023 Total Funds
<b>Group</b>	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 10)	16,860	-	184	17,044	15,350
Auditor's remuneration:					
Audit services- relating to current year	46	-	-	46	36
Audit services- relating to prior year	-	-	-	-	11
Other services	-	-	-	-	2
Depreciation (Note 14)	-	2,043	618	2,661	2,342

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10. STAFF COSTS

	<b>2024</b>	<b>2023</b>
<b>Group</b>	<b>£'000</b>	<b>£'000</b>
Wages and salaries	<b>13,619</b>	11,788
Social security costs	<b>1,302</b>	1,105
Other Pension costs	<b>313</b>	271
	<b>15,234</b>	13,164
Payments to agency	<b>1,687</b>	2,186
Redundancy costs	<b>123</b>	-
	<b>17,044</b>	15,350

Of payments to agency staff, £587k (2023: £466k) represents payments in respect of one to one care provision. These costs were covered by one to one care fee income.

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) were as follows:

	<b>2024</b>	<b>2023</b>
£60,000 - £70,000	<b>4</b>	5
£70,001 - £80,000	<b>4</b>	4
£80,001 - £90,000	<b>2</b>	-
£90,001 - £100,000	<b>2</b>	1
£110,001 - £120,000	<b>1</b>	1

Of those employees who earned £60,000 or more during the year (as defined above), employer contributions totalling £23,494 (2023: £24,726) were made to defined contribution schemes in respect of ten (2023: ten) of them. No contributions were made to defined benefit schemes (2023: £nil).

The total remuneration, including benefits, employers pension contributions and employer's national insurance contributions, paid to key management personnel in the year was £639k (2023: £516k).

The average number of employees, excluding agency staff, analysed by function, was:

	<b>2024</b>	<b>2023</b>
Generating funds	<b>4</b>	6
Residential and nursing care services	<b>461</b>	493
	<b>465</b>	499

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

### **11. TRUSTEES' REMUNERATION AND EXPENSES**

No director received any remuneration or expenses from the group or charity during the year (2023 - £nil).

The nature of the charity's activities means that from time to time relatives of the directors of the corporate trustee or staff may be cared for by the Charity. In 2024, two directors of the corporate trustee had a relative cared for by the charity and all fees were set at arm's length (2023: one).

### **12. TRUSTEES' INDEMNITY INSURANCE**

The insurance provides cover up to £5 million (2023 - £5 million) and the total premium paid in respect of such insurance was £44k (2023 - £43k). The cost of this insurance is included in the total insurance cost.

### **13. TAXATION**

Nightingale Hammerson is a registered charity and therefore not liable to income tax or capital gains tax on income or gains derived from their charitable activities, as they fall within the various exemptions available to registered charities.

Chalkford Limited donates any taxable profits to Nightingale Hammerson via Gift Aid each year, in the prior year there was a tax charge of £46k.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Plant	Furniture, Equipment and Vehicles	2024 Total
Group	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 October 2023	45,900	38,896	1,938	4,011	<b>90,745</b>
Additions	2,408	18	107	111	<b>2,644</b>
At 30 September 2024	<b>48,308</b>	<b>38,914</b>	<b>2,045</b>	<b>4,122</b>	<b>93,389</b>
<b>Depreciation</b>					
At 1 October 2023	36,245	2,792	1,014	2,473	<b>42,523</b>
Charge	908	1,106	90	555	<b>2,660</b>
At 30 September 2024	<b>37,153</b>	<b>3,898</b>	<b>1,104</b>	<b>3,028</b>	<b>45,183</b>
<b>Net book values</b>					
At 30 September 2024	<b>11,155</b>	<b>35,016</b>	<b>941</b>	<b>1,094</b>	<b>48,206</b>
At 30 September 2023	9,655	36,104	925	1,538	<b>48,222</b>

No value has been attributed to the leasehold land of the Hammerson House, Wohl Campus, site as lease covenants require its use as a residential care facility. Part of Hammerson House is being depreciated over 65 and 100 years. These elements have been reviewed for impairment and determined to be reflected accurately.

	Freehold Property	Leasehold Property	Plant	Furniture, Equipment and Vehicles	2024 Total
Charity	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 October 2023	45,899	41,181	2,000	4,051	<b>93,131</b>
Additions	2,408	18	106	111	<b>2,643</b>
Disposals	-	-	-	-	-
At 30 September 2024	<b>48,307</b>	<b>41,199</b>	<b>2,106</b>	<b>4,162</b>	<b>95,774</b>
<b>Depreciation</b>					
At 1 October 2023	36,244	2,817	1,041	2,512	<b>42,614</b>
Charge	908	1,107	91	556	<b>2,662</b>
Disposals	-	-	-	-	-
At 30 September 2024	<b>37,152</b>	<b>3,924</b>	<b>1,132</b>	<b>3,068</b>	<b>45,276</b>
<b>Net book values</b>					
At 30 September 2024	<b>11,155</b>	<b>37,275</b>	<b>974</b>	<b>1,094</b>	<b>50,498</b>
At 30 September 2023	9,655	38,364	959	1,539	50,517

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 15. FINANCIAL COMMITMENTS

At 30 September 2024, the charity had £6m financial commitment that had been authorised but not contracted for to refurbish Nightingale House (2023: £4m). There was a financial commitment contracted for the refurbishment of Wohl Household totalling £0.3m but which had not been provided for (2023 – £2m). This refurbishment project was completed in December 2024.

### 16. FIXED ASSET INVESTMENTS

	Investment Property	Listed Investments	2024 Total	2023 Total
Group	£'000	£'000	£'000	£'000
Market value at 1 October 2023	251	22,677	22,928	26,360
Additions at cost	-	6,673	6,673	5,008
Disposals at book value (proceeds:£7.81m with realised gain of £0.27m)	-	(6,398)	(6,398)	(9,288)
Net unrealised investment (losses)/gains	-	2,364	2,364	848
<b>Market value at 30 September 2024</b>	<b>251</b>	<b>25,316</b>	<b>25,567</b>	<b>22,928</b>
Cash awaiting investment		882	882	645
<b>Market value at 30 September 2024</b>	<b>251</b>	<b>26,198</b>	<b>26,449</b>	<b>23,573</b>
Cost of Investments at 30 September 2024	238	21,176	21,414	21,407

	Shares in subsidiary company	Investment Property	Listed Investments	2023 Total	2022 Total
Charity	£'000	£'000	£'000	£'000	£'000
Market value at 1 October 2023	1	251	22,677	22,929	27,781
Additions at cost	-	-	6,673	6,673	5,670
Disposals at book value (proceeds:£7.81m with realised gain of £0.27m)	-	-	(6,398)	(6,398)	(5,457)
Net unrealised investment (losses)/gains	-	-	2,364	2,364	(1,633)
<b>Market value at 30 September 2024</b>	<b>1</b>	<b>251</b>	<b>25,316</b>	<b>25,568</b>	<b>26,361</b>
Cash awaiting investment	-	-	882	882	911
<b>Market value at 30 September 2024</b>	<b>1</b>	<b>251</b>	<b>26,198</b>	<b>26,450</b>	<b>27,272</b>
Cost of Investments at 30 September 2024	1	238	21,176	21,415	21,415

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS (CONTINUED)

#### Listed Investments

All listed investments are dealt in on a recognised stock exchange. Listed investments comprised the following:

	2024 Total	2024 Total	2023 Total	2023 Total
<b>Group and Charity</b>	%	£'000	%	£'000
Fixed Interest	18%	4,669	18%	4,297
Equities	70%	18,392	67%	15,723
Alternatives	8%	2,109	10%	2,284
Multi-assets funds	0%	-	2%	373
Cash Instalments and unit funds	4%	1,028	3%	645
	100%	26,198	100%	23,322

#### Investment property

Investment property comprises of a long leasehold flat in a property situated in North London purchased by the charity during the year ended 30 September 2014. The directors of the corporate trustee have valued the property based upon information publicly available relating to similar properties in the same location. The property is being put up for sale in 2025.

#### Subsidiary Undertaking

At 30 September 2024, Nightingale Hammerson owned the entire called up share capital of the following company:

Company	Country of incorporation	Principal activity during the year
Chalkford Limited	England	Property development

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 17. DEBTORS

	2024		2023	
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Maintenance contributions	2,252	2,252	2,369	2,369
Amount due from subsidiary undertaking (Note 24)	-	-	-	458
Legacies receivable	4,053	4,053	2,002	2,002
Donations pledged	418	418	334	334
Other debtors	442	441	142	141
Prepayments	302	302	509	508
VAT debtor	-	-	101	30
	<b>7,467</b>	<b>7,466</b>	5,457	5,842

### 18. CREDITORS – AMOUNT FALLING DUE WITHIN ONE YEAR

	2024		2023	
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Amounts held on behalf of residents	1,168	1,168	1,080	1,080
Maintenance contributions received in advance	781	781	413	413
Expense creditors	833	833	1,372	1,391
Capital Creditors	-	-	108	108
Social security and other taxation	337	290	257	257
Other creditors	97	97	75	75
Accruals	970	965	512	508
Amount due to subsidiary undertaking (Note 24)	-	-	-	218
	<b>4,186</b>	<b>4,134</b>	3,817	4,050

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 19. RESTRICTED FUNDS

The income funds of the group and charity include restricted funds comprising the following balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 October 2023	Income	Expenditure	Transfer	At 30 September 2024
<b>Group</b>	£'000	£'000	£'000	£'000	£'000
Nightingale House Fixed Assets Fund	7,509	-	(618)	-	6,891
Nightingale House Capital Fund	600	1	-	-	601
Hammerson House Capital Fund	70	(39)	-	(26)	5
Weinberg Funds	3,375	65	-	-	3,440
Donations Special Purpose	409	124	(30)	(67)	436
Janet and Howard Bloch funds	233	-	-	-	233
Intergenerational fund	31	2	(12)	-	21
REACH	-	190	(246)	56	-
Other restricted funds	188	8	(6)	-	190
	<b>12,415</b>	<b>351</b>	<b>(912)</b>	<b>(37)</b>	<b>11,817</b>

The transfers between funds relate to releasing grant income for Hammerson House Capital fund and transferring staff costs from unrestricted funds to Donations Special Purpose for allocation against a restricted grant.

	At 1 October 2023	Income	Expenditure	Transfer	At 30 September 2024
<b>Charity</b>	£'000	£'000	£'000	£'000	£'000
Nightingale House Fixed Assets Fund	7,523	-	(618)	-	6,905
Nightingale House Capital Fund	600	1	-	-	601
Hammerson House Capital Fund	70	(39)	-	(26)	5
Weinberg Funds	3,375	64	-	-	3,439
Donations Special Purpose	409	124	(30)	(68)	435
Janet and Howard Bloch funds	232	-	-	-	232
Intergenerational fund	31	2	(11)	-	22
REACH	-	190	(246)	56	-
Other restricted funds	186	9	(6)	-	189
	<b>12,426</b>	<b>351</b>	<b>(911)</b>	<b>(38)</b>	<b>11,828</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 19. RESTRICTED FUNDS (CONTINUED)

#### Nightingale House Fixed Assets Fund

This fund comprises the net book value of buildings and equipment used for the operation of Nightingale House, purchased with restricted funds. Each year the depreciation on these assets is charged to the fund.

#### Nightingale House Capital Fund

This fund comprises monies donated specifically towards the construction and development of new building projects on the site of Nightingale House which are as yet unspent.

#### Hammerson House Capital Fund

This fund comprise donations pledged specifically for the redevelopment of Hammerson House and as yet unspent.

#### Weinberg Funds

These funds were donated by The Harry and Jeanette Weinberg Fund and are held for the purpose of substantially upgrading the charity's care homes for the elderly at both Nightingale House and Hammerson House.

#### Donations Special Purpose

These funds comprise donations received towards a specific purpose.

#### Janet and Howard Bloch funds

These funds comprise monies to be used to provide additional services for the residents, specifically in terms of activities, and the provision of training.

#### Intergenerational Fund

This comprises monies received specifically for operation of the intergenerational programme.

#### Infection control Grant

Government grant received to provide support with Covid-19 infection control costs

### 20. DESIGNATED FUNDS

The income funds of the group and charity include the following designated funds which have been set aside for major capital projects:

	At 1 October 2023	New designations and transfers	Utilised / released	At 30 September 2024
<b>Group</b>	£'000	£'000	£'000	£'000
Hammerson House building fund	-	1	(1)	-
Nightingale House building fund	8,500	-	-	8,500
Maintenance fund	3,500	-	-	3,500
	<b>12,000</b>	1	(1)	<b>12,000</b>
Hammerson House tangible fixed assets fund	35,518	18	(1,504)	34,032
Nightingale House tangible fixed assets fund	5,194	2,624	(538)	7,280
	<b>52,712</b>	<b>2,643</b>	<b>(2,043)</b>	<b>53,312</b>

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

**20. DESIGNATED FUNDS (CONTINUED)**

	<b>At 1 October 2023</b>	<b>New designations and transfers</b>	<b>Utilised / released</b>	<b>At 30 September 2024</b>
<b>Charity</b>	£'000	£'000	£'000	£'000
Hammerson House building fund	-	8	(8)	-
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	12,000	8	(8)	<b>12,000</b>
Hammerson House tangible fixed assets fund	37,429	18	(1,504)	<b>35,943</b>
Nightingale House tangible fixed assets fund	5,565	2,625	(539)	<b>7,651</b>
	<b>54,994</b>	<b>1,268</b>	<b>(2,051)</b>	<b>55,594</b>

***Hammerson House building fund***

This was fund set aside by the directors for the redevelopment of Hammerson House, Wohl Campus. This was duly allocated or released at the year-end given the completion of Hammerson House, Wohl Campus development

***Nightingale House building fund***

This comprises monies set aside by the directors to provide funds for redevelopment at Nightingale House.

***Maintenance fund***

This comprises monies set aside by the directors to provide funds for the ongoing building maintenance of our homes.

***Hammerson House tangible fixed assets fund***

This fund comprises the net book value of the fixed assets related to Hammerson House, used for the operation and designated. Every year, depreciation charges is allocated against this fund.

***Nightingale House tangible fixed assets fund***

The tangible fixed assets fund comprises the net book value of the charity's tangible fixed assets (excluding those accounted for the Nightingale House Fixed Assets Restricted Fund). A decision was made by the directors to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day to day work of the charity and group and hence the fund value would not be easily realisable if needed to meet future contingencies.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General funds	Designated funds	Restricted funds	2024 Total
Group	£'000	£'000	£'000	£'000
<b>Fund balances at 30 September 2024 are represented by:</b>				
Tangible fixed assets	-	41,314	6,892	<b>48,206</b>
Investments	23,009	-	3,440	<b>26,449</b>
Current assets	4,020	11,998	1,485	<b>17,503</b>
Current liabilities	(4,186)	-	-	<b>(4,186)</b>
Pension scheme asset	3,261	-	-	<b>3,261</b>
<b>Total net assets</b>	<b>26,104</b>	<b>53,312</b>	<b>11,817</b>	<b>91,233</b>

	General funds	Designated funds	Restricted funds	2024 Total
Charity	£'000	£'000	£'000	£'000
<b>Fund balances at 30 September 2024 are represented by:</b>				
Tangible fixed assets	-	43,593	6,905	<b>50,498</b>
Investments	23,011	-	3,439	<b>26,450</b>
Current assets	3,957	12,001	1,484	<b>17,442</b>
Current liabilities	(4,134)	-	-	<b>(4,134)</b>
Pension scheme asset	3,261	-	-	<b>3,261</b>
<b>Total net assets</b>	<b>26,095</b>	<b>55,594</b>	<b>11,828</b>	<b>93,517</b>

### 22. ANALYSIS OF UNREALISED GAINS / LOSSES

	General funds	Designated funds	Restricted funds	2024 Total
Group and Charity	£'000	£'000	£'000	£'000
Accumulated gains on listed investments	4,369	-	653	<b>5,022</b>
Accumulated gains on property	12	-	-	<b>12</b>
<b>Total</b>	<b>4,381</b>	<b>-</b>	<b>653</b>	<b>5,034</b>
Reconciliation of movements in unrealised gains (losses)				
Unrealised gains at 1 October 2023	5,154	-	702	<b>5,856</b>
Less: cumulative unrealised losses released from disposals	(2,731)	-	(408)	<b>(3,139)</b>
Add: Net unrealised gains on listed investments unrealised gains in year	2,016	-	301	<b>2,317</b>
Reallocation between funds in year	(58)	-	58	<b>-</b>
<b>Accumulated unrealised gains</b>	<b>4,381</b>	<b>-</b>	<b>653</b>	<b>5,034</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS

Nightingale Hammerson operates a defined benefit scheme for certain former employees, providing benefits based on final pensionable pay. It also contributes to personal pension plans for current employees.

The defined benefit scheme is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 March 2020 and updated to 30 September 2024 by a qualified actuary and in line with FRS 102. The major assumptions used by the actuary are shown below.

This most recent actuarial valuation showed a shortfall of £15,000 (2023: shortfall of £15,000). However, no additional contributions were required to correct the shortfall. This is because it was estimated that the Scheme was in surplus at the date of recovery plan. As there are no active members accruing benefits within the scheme, no further contributions are payable. The employer has agreed to meet all expenses of the scheme and levies to the Pension Protection Fund, other than investment management charges which are borne by the Scheme.

<b>Present values of defined benefit obligation, fair value of assets and defined benefit asset</b>	<b>2024 £'000</b>	<b>2023 £'000</b>
Fair value of plan assets	5,704	5,073
Present value of defined benefit obligation	(2,443)	(2,367)
Defined benefit asset at 30 September	3,261	2,706

<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>	<b>2024 £'000</b>	<b>2023 £'000</b>
Defined benefit obligation at start of period	2,367	2,452
Interest expense	131	129
Actuarial gains	76	(89)
Benefits paid	(131)	(125)
Defined benefit obligation at end of period	2,443	2,367

<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>	<b>2024 £'000</b>	<b>2023 £'000</b>
Fair value of plan assets at start of period	5,073	4,870
Interest income	285	260
Actuarial gains / (losses)	477	71
Benefits paid and expenses	(131)	(128)
Fair value of plan assets at end of period	5,704	5,073

The actual return on the plan assets over the period ended 30 September 2023 was £331k (2022: (£448k)).

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

	At 30 September 2024 £'000	At 30 September 2023 £'000
<b>Defined benefit costs recognised in other comprehensive income</b>		
(Losses)/gains on plan assets (excluding amounts included in net interest cost)	477	71
Experience (losses)/gains arising on plan liabilities	51	(37)
Gain resulting from changes in the demographic and financial assumptions underlying the present value of plan liabilities	(127)	126
Net interest income	154	131
Expenses	-	(3)
<b>Total gain recognised in other comprehensive income</b>	<b>555</b>	<b>288</b>

	At 30 September 2024 £'000	At 30 September 2023 £'000
<b>Assets</b>		
Cash and cash equivalents	34	55
Equity instruments	3,550	3,010
Debt instruments	1,837	1,663
Other	283	345
<b>Total Assets</b>	<b>5,704</b>	<b>5,073</b>

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

	At 30 September 2024 %	At 30 September 2023 %
<b>Assumptions</b>		
Discount Rate	5.00	5.70
Inflation (RPI)	3.20	3.40

The mortality assumptions adopted at 30 September 2022 imply the following life expectancies at age 65:

	2024	2023
<b>Retiring today / current pensioners</b>		
Males	22.7	22.7
Females	23.8	23.8
<b>Retiring in 20 years / future pensioners</b>		
Males	24.0	24.0
Females	25.3	25.3

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

### **23. PENSION COMMITMENTS (CONTINUED)**

The best estimate of contributions to be paid by the employer to the scheme for the period commencing 1 October 2024 is £nil (2023: £nil). Any expenses of the scheme, other than investment management costs, are expected to be met directly by the employer or reimbursed by the employer if paid by the scheme.

#### **Personal Pension Plans and auto enrolment Schemes**

The total pension cost in respect to personal pension plans and auto enrolment schemes for the year was £0.27m (2023 - £0.27m).

### **24. RELATED PARTY TRANSACTIONS**

#### **Chalkford Limited**

Chalkford Limited became a wholly owned subsidiary of Nightingale House on 2 March 2004 and continues as a wholly owned subsidiary of Nightingale Hammerson post-merger. Two directors of Nightingale Hammerson Trustee Company Limited, Daniel Dayan and Steven Sharpe were also directors of Chalkford Limited.

Chalkford Limited made charitable contributions of £nil to Nightingale Hammerson during the year to 30 September 2024 (2023 - £58k). At 30 September 2023 Chalkford Limited owed Nightingale Hammerson £nil (2023: £0.4m) in accordance with a loan facility and a further £nil (2023: £58k) being charitable contributions payable to Nightingale Hammerson in respect to the year ended 30 September 2024. At 30 September 2024, Nightingale Hammerson owed Chalkford Limited £nil (2023: £218k) under a contract for the construction of property.

#### **Trustees donations**

During the year the charity received donations totalling £121,688 from 11 of the charity's Trustees and organisations to which they are connected (2023 - £179,608 from 7 trustees and connected organisations). In addition, £111,700 (2023 - £32,750) was received from the President and Vice President and organisations to which they are connected.

### **25. POST BALANCE SHEET EVENTS**

There were no post balance sheet events to report (2023: none).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS

#### Consolidated Statement of Financial Activities

	Note	Unrestricted Funds			2023
		General Fund	Designated Fund	Restricted Fund	Total Funds
		£'000	£'000	£'000	£'000
<b>Income from:</b>					
Donations and legacies					
Revenue purposes	2	3,643	-	189	<b>3,832</b>
Capital purposes	2	-	-	21	<b>21</b>
Investments and short term deposits	3	728	-	65	<b>793</b>
Charitable activities					
Provision of residential and nursing care	4	19,055	-	-	<b>19,055</b>
Government's infection control and furlough grants		-	-	20	<b>20</b>
Surplus on disposal of tangible fixed assets		-	-	-	-
Other sources		113	-	-	<b>113</b>
<b>Total income</b>		<b>23,539</b>	<b>-</b>	<b>295</b>	<b>23,834</b>
<b>Expenditure on:</b>					
Raising funds					
Generating donations and legacies	5	606	-	-	<b>606</b>
Investment management costs		147	-	-	<b>147</b>
Charitable activities					
Provision of residential and nursing care	6	22,605	1,802	570	<b>24,977</b>
Taxation	13	-	-	-	-
<b>Total expenditure</b>		<b>23,358</b>	<b>1,802</b>	<b>570</b>	<b>25,730</b>
Net (expenditure) for the year before transfers and gains/(losses) on investments		<b>181</b>	<b>(1,802)</b>	<b>(275)</b>	<b>(1,896)</b>
Transfers between funds		(876)	1,138	(262)	-
Gains/(losses) on investments					
Realised gains on disposal of investments		196	-	-	<b>196</b>
Unrealised (losses) on investments	16	848	-	-	<b>848</b>
<b>Net (expenditure) income for the year</b>		<b>349</b>	<b>(664)</b>	<b>(537)</b>	<b>(852)</b>
<b>Other recognised gains and losses</b>					
Actuarial gains on pension scheme		288	-	-	<b>288</b>
<b>Net movement in funds</b>		<b>637</b>	<b>(664)</b>	<b>(537)</b>	<b>(564)</b>
Funds brought forward at 1 October 2021		23,837	53,376	12,952	<b>90,165</b>
<b>Funds carried forward 30 September 2022</b>	21	<b>24,474</b>	<b>52,712</b>	<b>12,415</b>	<b>89,601</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### Income from donations and legacies

Group	General Fund	Restricted Fund	2023 Total Funds
	£'000	£'000	£'000
Donations:			
Revenue donations	1,400	189	1,589
Hammerson House capital fund	-	16	16
Legacies			
Revenue donations	2,243	-	2,243
Capital fund	-	5	5
<b>2023 Total Funds</b>	<b>3,643</b>	<b>210</b>	<b>3,853</b>
2022 Total Fund	2,729	380	3,109

#### Income from investments

Group	General Fund	Restricted Fund	2023 Total Funds
	£'000	£'000	£'000
Income from listed investments by fund manager			
Investment Income Veritas	87	-	87
Investment Income Schroders	148	65	213
	235	65	300
Rental income	8	-	8
Interest receivable	485	-	485
<b>2023 Total Funds</b>	<b>728</b>	<b>65</b>	<b>793</b>
2022 Total Fund	333	48	381

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Restricted Fund	2023 Total Funds
<b>Group</b>	£'000	£'000	£'000
Maintenance contributions receivable	19,055	-	19,055
<b>Total maintenance contributions receivable</b>	<b>19,055</b>	<b>-</b>	<b>19,055</b>

#### EXPENDITURE ON GENERATING DONATIONS AND LEGACIES

	General Fund	Designated Fund	Restricted Fund	2023 Total Funds
<b>Group</b>	£'000	£'000	£'000	£'000
Staff costs	270	-	-	270
Fundraising, legacy and appeal expenses	302	-	-	302
Support costs	34	-	-	34
<b>2023 Total Funds</b>	<b>606</b>	<b>-</b>	<b>-</b>	<b>606</b>

#### Expenditure on provision of residential and nursing care

	General Fund	Designated Fund	Restricted Fund	2023 Total Funds
	£'000	£'000	£'000	£'000
Staff costs	13,611	-	18	13,629
Catering and food	2,766	-	-	2,766
Premises day to day costs	2,249	-	-	2,249
Medical, care and welfare costs	1,076	-	12	1,088
Support costs	2,903	-	-	2,903
Depreciation	-	1,802	540	2,342
<b>2023 Total Funds</b>	<b>22,605</b>	<b>1,802</b>	<b>570</b>	<b>24,977</b>

**NIGHTINGALE HAMMERSON**

England & Wales - Charity number 207316

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# Accounts

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**Nightingale Hammerson**  
**Annual Report and Financial Statements**

30 September 2023

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## **CONTENTS**

### **Reports**

Reference and administrative information	4
Professional advisors	5
Chairman's report	6
Report of the directors of the corporate trustee	8
Independent auditor's report	26

### **Accounts**

Consolidated statement of financial activities	30
Charity statement of financial activities	31
Balance sheet	32
Consolidated statement of cash flow	33
Notes to the financial statements	34

<b>Registered Name</b>	Nightingale Hammerson
<b>Registered Charity Number</b>	207316 governed by a scheme made by the Charity Commission on 30 March 2012
<b>Principal office</b>	105 Nightingale Lane London SW12 8NB
<b>Telephone</b>	020 8673 3495
<b>Facsimile</b>	020 8675 2258
<b>Website</b>	<a href="http://www.nightingalehammerson.org">www.nightingalehammerson.org</a>
<b>Life Patron</b>	Dame Vivien Duffield DBE
<b>President</b>	Harvey Rosenblatt
<b>Vice Presidents</b>	Patricia Beecham Susan Grant
<b>Corporate Trustee</b>	Nightingale Hammerson Trustee Company Limited
<b>Non-Executive Directors and Board Members:</b>	
<b>Chairman</b>	Joanne Black Co-Chair (from 1 February 2023) Paul Althasen Co-Chair (from 1 February 2023)
<b>Honorary Treasurers</b>	John Reizenstein (Retired 1 June 2023) Russell Nathan (from 1 July 2023)
<b>Other directors</b>	Carolyn Balcombe Daniel Dayan Gill Livingston Ian Grabiner (Appointed 1 July 2023) Joanne Black Keith Barnett Melvin Lawson Paul Althasen Rosalind Taylor Russell Nathan (Appointed 1 July 2023) Steven Sharpe

## REFERENCE AND ADMINISTRATIVE INFORMATION

### Senior Leadership Team:

<b>Chief Executive Officer</b>	Jenny Pattinson
<b>Director of Finance, Property and ICT</b>	Abiola Yusuf (to 4 December 2022)
<b>Director of Finance</b>	Chelsea Bassom (from 1 February 2023)
<b>Director of Care</b>	Nuno Santos Lopes (to 27 June 2023) Chipema Chitambala (from 7 August 2023)
<b>Director of People</b>	Kevin Noble (to 16 June 2023)
<b>Head of Human Resources</b>	Roy Chow (from 14 August 2023)
<b>Director of Hospitality and Operations</b>	Florian Jourdhier (to 31 December 2022)
<b>Director of Operations</b>	Ed Davidson (from 13 June 2023)

## PROFESSIONAL ADVISORS

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Principal bankers** National Westminster Bank plc  
98 Wandsworth High Street  
London  
SW18 4ZD

**Investment managers** Veritas Investment Management LLP  
90 Long Acre  
London  
WC2E 9RA

Cazenove Capital  
1 London Wall Place  
London  
EC2Y 5AU

**Solicitors** Bircham Dyson Bell LLP  
50 Broadway  
London  
SW1H 0BL

## CHAIRMAN'S REPORT

Since commencing our position of Co-chair in February 2023, we have led Nightingale Hammerson through another busy, productive and successful year.

We reached full occupancy at Hammerson House, Wohl Campus, which is a significant milestone in the history of the Charity. The gradual opening of each household, to allow the team to be recruited and fully trained meant we were able to deliver exceptional care to every resident from day one. We currently have an active wait list for a room at Hammerson House to become available.

In South London, Nightingale House was again awarded *Outstanding* status by the Care Quality Commission. This recognises the incredible achievement of our Senior Leadership Team and the dedicated expertise of our multi-disciplinary care teams, volunteers, and the wider support teams at Nightingale Hammerson. On behalf of our fellow trustees, we wish to officially acknowledge their professionalism, compassion, and hard work to ensure each resident receives the best possible care, kindness and joy that we strive for every day.

Crucial to maintaining our delivery of outstanding care is the leadership we bring to guide our team members in their day to day roles. This year, we have successfully recruited a full SLT team. We are pleased to welcome Chelsea Bassom, Director of Finance, Roy Chow, Head of HR, Chipema Chitambala, Director of Care Services and Ed Davidson, Director of Operations. Our SLT Team are expertly guided by our Chief Executive, Jenny Pattinson, who leads our charity. With this strong and skilled team at the helm, we will continue to deliver exceptional care services to residents and provide an incredible workplace for our people.

Nightingale Hammerson has always had a strong drive to deliver innovation in care. The initiatives that complement our care delivery include our Intergenerational Programme, Care Home Education Centre, and our successful Care Home Research Forum, which is now in its fourth year. Recently, we appointed our former Director of Care Services, Nuno Lopes to the role of Director of Research, Innovation and Community Engagement. This appointment demonstrates our commitment to expanding our care services outside of the walls of our care homes, via our newly launched REACH programme. This is a new community engagement strategy which provides educational programmes and guidance to support older people to live well, at home, for longer. This will enable us to adapt to the changing needs of the social care sector and ageing Jewish community. REACH will raise the profile of the organisation and support us to continue to fulfil our charitable purpose and enable the sharing of our knowledge, skills, and experience to the wider community.

Nightingale House is undergoing a large-scale redevelopment and refurbishment to ensure the facilities and accommodation are upgraded so they are fit for purpose for the future. Once complete the home will house 110 residents in high quality accommodation. The first phase of the works commenced in the Wohl building in late 2023. We will bring the beautiful Nightingale House back to its full glory. This is a comprehensive programme of refurbishment, and the works are planned to continue through 2024/25.

We should acknowledge that the care sector continues to have challenges that affect our operations. There remains a huge difference in the true cost of care and the funding available to deliver care to meet the ever-changing complex needs of residents, the cost of living crisis continues to affect the prices we pay for essentials such as utilities and food supplies and the recruitment market remains a challenge with thousands of vacancies in the care sector. In spite of these challenges, we continue to provide exceptional care to the older Jewish community and use our income and the generous donations from our incredibly supportive community to meet our charitable purpose.

## CHAIRMAN'S REPORT (CONTINUED)

We end with good news. Nightingale Hammerson has received a record number of awards, which demonstrate the excellence of our care, our Homes, and our people. We strive to be the best we can be in all areas of our work, and it is wonderful that this has been acknowledged by the nation's leaders in care. Our congratulations go to:

- Our Care Teams who have been recognised by the **Nursing Times Awards** as finalists in the Social Care Category for Outstanding Holistic Care
- Volunteers, Marilyn Pyser, Judy Wiseman and our coffee morning team were recognised for their compassion, dedication and hard work at the Annual **JVN Awards** who celebrate the wonderful volunteers in the whole community.
- Nuno Lopes was awarded the **Chief Nurse for Adult Social Care Gold Award** by Deborah Sturdy CBE, the Chief Nurse. This highlights the compassion and talent of individuals in the care sector and celebrates the contribution to the health and happiness of others.
- Mark Panto, our Volunteer in both Homes won the Sara Berrio Care Champion Award at the **National Care Awards 2023** for the compassion and happiness he brings to our residents. Nuno Lopes was also a runner up for the Care Leadership Award
- Hazel Joseph, Manager of Hammerson House, was a runner up for the Care Leader Award at the **North Central London Valued Awards**
- Phil White, our Nightingale House Gardner, Winner of the Care Award for Compassion at the **Markel 3<sup>rd</sup> Sector Care Awards**. Our care teams were also finalists in the Excellence in Dementia and End-of-Life Care.
- Finally, the whole Nightingale Hammerson Team has been awarded the **Chief Nursing Officer for Adult Social Care Team Award for 'Outstanding Services to Social Care.'** This award highlights the importance of the Nurse-led care delivered in our Homes, supported by an expert multidisciplinary team.

Professor Deborah Sturdy CBE said of the Nightingale Hammerson Team, *"Shining lights are people like you. The phenomenal contribution you make to the people you look after is acknowledged in this award – you stand tall amongst your peers for achieving so much"*.

We are delighted and humbled to see our wonderful teams recognised for their work to ensure residents have a better quality of life. We extend our sincere thanks to everyone involved in the delivery of care and support to our residents, their families and loved ones.

Jo Black and Paul Althasen

Co-chair, Nightingale Hammerson

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE

The directors of the corporate trustee of Nightingale Hammerson (herein referred to as ‘directors’ or ‘trustees’), who act as the Trustee Board of the Charity, present the statutory report and accounts for the year ended 30 September 2023. These accounts have been prepared in accordance with the accounting policies set out on pages 34-39 and comply with the charity’s governing document, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

### Our Corporate Structure

Nightingale Hammerson’s corporate structure comprises two active entities, both ultimately controlled by the directors of Nightingale Hammerson and included in the consolidated accounts. These are:

- Nightingale Hammerson, a registered charity, providing residential and nursing home facilities at two London sites, Nightingale House, in Clapham, and Hammerson House Wohl Campus, in Hampstead Garden Suburb; and
- Chalkford Limited, a company registered in England and Wales, whose business is property construction.

The Charity also has one dormant entity namely, The Friends of Nightingale House.

### Our Charitable Purpose

Nightingale Hammerson exists to be a leading provider of quality relationship-centred care for older Jewish people. We provide residential, dementia, nursing and palliative care services and treat all our residents with respect and dignity.

Our aim is to provide holistic care and support in a safe and stimulating environment using dedicated and trained staff and volunteers. We do this through the operation of two residential and nursing care homes – Nightingale House, in Clapham, and Hammerson House, Wohl Campus, in Hampstead Garden Suburb.

Nightingale House traces its origins back to 1840 in the East End of London. It moved to its current site in Clapham in the early 1900s and has continued to deliver excellent care. Nightingale House was purpose-built to serve residents with residential, dementia, nursing and palliative care needs, either on a permanent basis or respite. The directors agreed a refurbishment budget for Wohl, to modernise and implement some energy efficiency measures which began in the summer of 2023. A decision was recently made to extend this refurbishment work to other areas of the home. This will be a large project likely to start in the 2024/25 financial year.

Nightingale House currently has 5 active households with the following maximum bed capacity:

Households	Dedicated Service	Maximum Bed Capacity
Wine	Residential	45
Sherman	Residential Dementia	45
Osha	Residential	15
Wohl	Nursing Dementia	40
Ronson	Nursing / Palliative Needs	26
<b>Total</b>		<b>171</b>

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

Hammerson House was established some 55 years ago, thanks to an exceptional gift from Mrs Sue Hammerson CBE in memory of her late husband Lewis W Hammerson. For many years it was primarily a residential home although offering some nursing beds and sheltered housing. It was closed for redevelopment in 2017 and re-opened in 2021 as Hammerson House, Wohl Campus. It now provides care to those with residential, dementia, nursing and palliative care needs. Hammerson House, Wohl Campus, has 6 households with the following maximum bed capacity:

Households	Dedicated Service	Maximum Bed Capacity
Isaac Wolfson	Residential	18
Edith Wolfson	Residential	20
Audrey	Residential Dementia	18
Pat	Residential Dementia / Nursing Dementia	20
Wigoder	Nursing Dementia	20
Ronson	Nursing / Palliative Care Needs	20
<b>Total</b>		<b>116</b>

### Our Vision

To provide our community with exceptional relationship-centered care. To widen our services to address the future needs of an ageing Jewish population by sharing our knowledge, skills and expertise.

### Our Mission

To be the leading charitable organisation recognised for providing outstanding care to our residents and the wider community, to maximise quality of life through exceptional care, innovation, and continual improvement.

### Our Values

Our values are Compassion, Respect, Excellence, Dignity, Integrity and Teamwork.

### Our Statement of Public Benefit

In setting the aims of the charity, the directors have had regard to the guidance published by the Charity Commission in respect to the provision of public benefit by charities. Nightingale Hammerson is committed to providing the quality level of care to all older Jewish people in need, regardless of their personal financial status. A substantial proportion of residents are in receipt of local authority or other government funding and the Charity raises funds from its donors and benefactors in order to meet the ever-growing shortfall between government funding and the costs of quality care provision.

### Our Trustees

The directors of the corporate trustee act as the Trustee Board of the Charity and their names are as set out on Page 4. The Trustee Board meets formally at least five times a year. Between meetings, directors engage with the Charity, its volunteers and staff in many and varied ways, such as providing guidance on projects, raising funds, serving formally on committees or supporting new initiatives. Directors are appointed via proposal to the Nominations and Governance Committee and serve 3-yearly terms up to a maximum of 10 years (the first year of service is deemed an induction year).

No director received any remuneration or expenses from the Charity during the year.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Our Committees

The Charities committee structure is set up to ensure it can adapt and adequately respond to the evolving challenges facing the charity and the adult social care sector, as a whole.

The main committees of the Board are:

- **Nominations Committee:** Provides guidance on governance, lead on the recruitment of new directors (or trustees), reviews terms of office, and leads on directors' induction, appraisal and training.
- **Finance Committee:** Oversees all financial matters including the budget setting financial performance and financial planning.
- **Resident Experience & Assurance Group:** Oversees service and quality assurance as well as volunteer and events programmes.
- **Audit and Risk Committee:** Oversees the organisational risk assurance framework. It is also responsible for ensuring that the Board is apprised of the principal risks and plans are put in place to mitigate those risks.
- **Nightingale House Working Group:** This committee oversees the major refurbishment project for Nightingale House.
- **Investment Committee:** Oversees the investment portfolio and provides instruction to the investment managers in line with the charity's investment policy.
- **Operations and Efficiencies Committee:** Responsible for overseeing the performance of specific departments to ensure the resources are used to support and deliver the strategic aims of the Charity, while ensuring sustainability and championing best practice.
- **Fundraising & Marketing Committee:** Oversees the planning and implementation of fundraising plans, marketing materials and communications externally to boost voluntary donations and capital fundraising income.

In addition to the above, there are other groups set up to provide additional support to the main committees. These are the Fee Subsidy Group, Major Donor Group, Relationship Centred Care Group, Education & Development Group and the Care Risk / Safeguarding Group. The Board of Trustees may also on occasion, set up a task and finish group to provide support to the executive team and oversee the delivery of specific tasks, over a specific period of time.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Our Committees (continued)

Directors, who served during the year, also served on the various committees of the Board as set out below. Every committee and group is supported by lay leaders who are also members of the committees and contribute a wealth of experience and expertise to their respective committees and / or groups.

	NOMS	FINANCE	RES EXP & ASS	AUDIT & RISK	NH STRATEGY	INVESTMENT	OPS & EFF	FUND-RAISING
CAROLYN			✓	✓				✓
DANIEL	✓	✓					✓	
GILL			✓					
IAN		✓					✓	✓
JOANNE	✓		✓	✓	✓			✓
KEITH	✓			✓				
MELVIN		✓			✓	✓		✓
PAUL	✓	✓		✓	✓	✓	✓	✓
ROSALIND			✓	✓				
RUSSELL		✓		✓				
STEVEN		✓			✓		✓	

### Our People

This year, we had an average of 499 staff, across both homes. Recruitment and retention were particularly challenging this year given the continued opening of Hammerson House and a shortage of care staff in this country. Whilst we are grateful that we can draw from our pool of ever-supportive volunteers, the senior leadership team developed a renewed approach to pay packages and increased the retention benefits. We continue to explore innovative ways of attracting and retaining talents including enhancing our learning and development programme, offering flexible shifts and seizing opportunities for overseas recruitment.

### Our Volunteers

The Volunteer service continued to grow in 2023 with 145 active volunteers, evenly split across Nightingale House and Hammerson House. The majority of Volunteers support the Engagement team, others are involved in administration tasks, Befriending, Synagogue, Fundraising, Service & Quality and the Intergenerational Programme. 45% of our Volunteers have more than one role showing an organic nature of the Volunteer journey in Nightingale Hammerson.

The communities near both our care homes remain dedicated and committed to enhance the lives of our residents.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Remuneration of Our Senior Team**

Our Senior Leadership Team (SLT) form the key management personnel of the charity and are responsible for the charity's affairs on a day to day basis. Remuneration is benchmarked and set with reference to current market conditions so to ensure that the charity can recruit and retain high calibre staff. Annual pay reviews are approved by the Finance Committee.

### **Employment Policy**

We strive to be an equal opportunity employer and apply objective criteria to assess merit. We aim to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability. Selection criteria and procedures are reviewed to ensure individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate, special training to enable them to progress. Volunteers are coordinated by the Volunteer Development Manager, with recruitment, management, training and supervision policies in place.

### **Our Achievements**

#### **Intergenerational Care**

Nightingale House was the first UK Care Home to open an onsite nursery for children aged 2-5 years. There are daily programmes for our nursery children and residents to come together and join in fun and active things to do. Nightingale Hammerson and Apples & Honey Nightingale Education and Training have officially joined forces to bring intergenerational courses, enhancing the lives of both children and older members within our community.

#### **Nightingale House**

Nightingale House has again been awarded the rating of Outstanding by the Care Quality Commission (CQC), following their inspection at the end of 2022. Nightingale House continues to be the only CQC Outstanding care home serving the older Jewish community in the UK.

#### **Hammerson House**

Despite the challenges in recruiting care staff, Hammerson House became fully occupied in December 2023. We provide residential, residential dementia, nursing dementia and palliative care at Hammerson House. We now offer all the levels of care any resident can get in a care home for older people.

#### **Education**

For the second year we have been endorsed by Skills for Care for the educational programmes we deliver. This recognises the quality of the education but also highlights how serious we take education within our organisation. We have started to open our educational programmes to external professionals and will be assessing whether this can expand as a business model.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Therapies**

We have reviewed our therapies provision to best support the health outcomes for our residents. Our physiotherapists, occupational therapists and moving therapies assistants and handling advisor are now able to provide more one to one sessions for our residents, which also translates into a new form of income for the charity through our private therapies model. We have now welcomed four postgraduate Speech and Language Therapy students.

### **Awards**

Nightingale Hammerson are proud to have the winner of The Nursing Times Workforce Summit & Awards Winner for Non-Clinical Manager of the year, Roshni Shah. We have also recently been awarded the Chief Nursing Officer for Adult Social Care Team award for Outstanding Services to Social Care.

### **Our Plans**

We have been providing exceptional care to the Jewish community for over 180 years. Nightingale House is the only Jewish Home for older people in the UK to be classified Outstanding by the CQC. We therefore want to build on our strengths and successes whilst improving on our weaknesses. We also want to seek opportunities to intentionally remain the centre of excellent care. Our strategic priorities, as approved by the Board, are as follows:

#### **1. Those we support will be at the heart of all we do**

- by being the exemplar of Relationship Centered Care (RCC) which will enrich our resident's lives
- by supporting our volunteers and team members to deliver an exceptional quality of life for those we serve
- by exceeding expectations in the quality and delivery of meals

#### **2. We will support and embed a culture of innovative care practice, research and education across the organisation**

- by investing in the environment in Nightingale House to ensure it meets and exceeds the changing needs of our residents and provides exceptional facilities for education, development and community engagement.
- by embracing new technologies to enhance the lives of our residents and all those we are able to support.
- by ensuring we maintain our reputation for providing the 'Best of Care' by continual improvement systems and delivering best practice.

#### **3. We will embed strong financial stewardship to protect the assets and future of the charity for the benefit of the whole community.**

- by telling the incredible stories about the value of what we do to generate income through various sources
- by delivering a culture of financial accountability ensuring we are receiving best value for money and operating efficiently
- by protecting and monitoring the assets of the charity, ensuring they are used to further our charitable objectives

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Plans (continued)**

#### **4. We will be a great organisation to work for**

- by creating a people strategy that will trust, support and develop our people to achieve their goals and ambitions
- by looking after our people by supporting their wellbeing, personal and professional development, define their career paths and ensure fair pay and benefits
- by creating an inclusive, values led place to work where everyone is welcomed, celebrated and supported

#### **5. We will demonstrate our commitment to providing exceptional care by extending our skills and expertise to the wider community**

- be a recognized centre of excellence for education and development in social care by working with innovative external partners
- by partnering with experts in research and innovation
- by maximising our resources to scale up our offer to meet identified community needs.

#### **6. We will deliver and maintain a high quality, safe and compliant environment for the benefit and wellbeing of all.**

- by introducing a mindset of continuous improvement by measuring our output and evidencing our compliance with regulations and safety requirements.
- by ensuring all environments that residents and team members live and operate within provide a compliant, comfortable and safe place to receive and deliver the best service possible
- by recognizing our responsibility to reduce our carbon footprint and protect the environment for future generations by making wise, cost effective decisions that embed sustainable benefits for our residents and team members.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Financial Review

This review focuses on the year ended 30 September 2023. It continued to be a time of transition for the charity with the second home becoming more occupied throughout the year alongside a change in the Senior Leadership Team. At the end of the year, our total income from our charitable activities was £19.1m, an increase of £4.3m from the previous year. This is due to the continuing opening of Hammerson House, Wohl Campus throughout the year, which compensated for the decrease in resident numbers at Nightingale House. At the year end, we had 100 residents at Nightingale House and 103 at Hammerson House, Wohl Campus, a decrease of 14 and increase of 36 respectively.

As expected, the overall increase in resident numbers resulted in our operational costs, including staffing costs, catering and accommodation costs increasing. Staff costs account for 60% of our total operational expenditure (2022: 60%), with our staff continuing to be at the centre of all we do and achieve. Our average staff number increased from 402 last year to 499. The majority of the increase was to support direct care provision and frontline services, for which recruitment continues to take place. Our vision continues to be extending exceptional care services to Hammerson House, Wohl Campus, and delivering personalised Relationship Centred Care across both homes. To maximise resources, we adopted a cross-site working policy for some administrative staff and the SLT.

Our net expenditure before transfers and gains at the end of the year was £1.9m (2022: £2.17m). This was to be expected given it was another transitional year with the charity running two care homes. We received £20k (2022: £0.4m) in government grants to mitigate the increased cost of infection control across both homes. Fundraising generated £3.9m in donations and legacies (2022: £3.1m) at a cost of £0.6m (2022: £0.5m), means that for every pound spent we raised £6.36 (2022: £6.12).

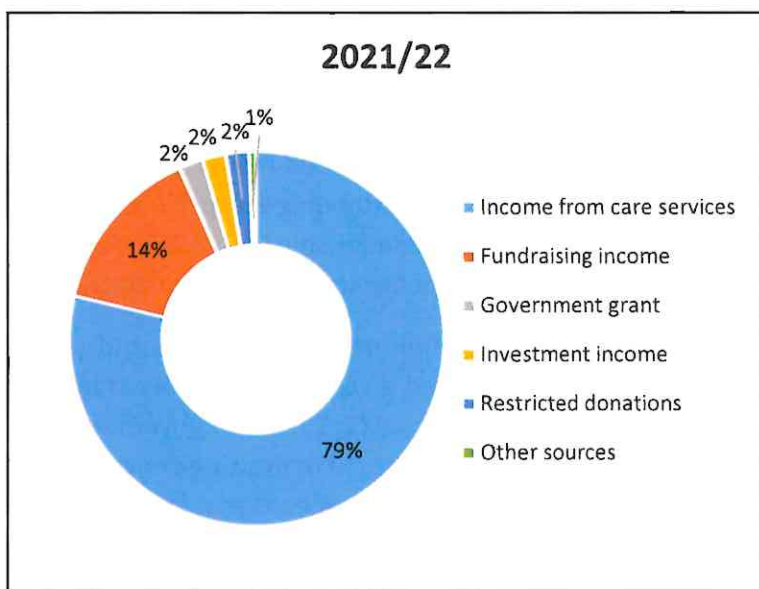
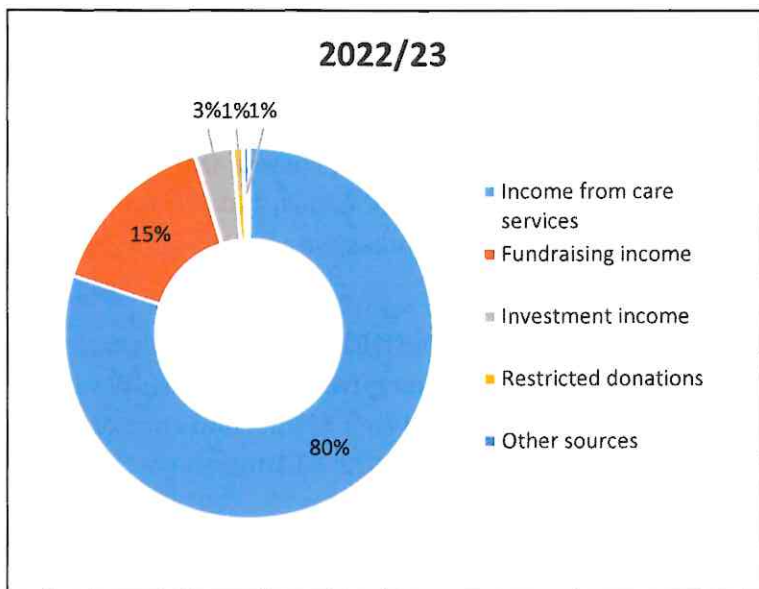
	<b>2023</b>	2022
	<b>£m</b>	£m
Income from care provision	<b>19.1</b>	14.8
Cost of care provision including depreciation	<b>(25.0)</b>	(21.1)
Government related infection control and furlough grants	-	0.4
Other operating income	<b>0.1</b>	0.1
<b>Operating deficit</b>	<b>(5.8)</b>	(5.8)
Net revenue fundraising income (excluding legacies)	<b>1.0</b>	1.4
Legacies	<b>2.2</b>	1.0
Net income from investments	<b>0.6</b>	0.2
Profit on disposal of fixed assets	-	0.8
<b>Deficit before investment gains and capital fundraising</b>	<b>(2.0)</b>	(2.4)
Capital donations for Hammerson House, Wohl Campus	-	0.2
Realised gains from investments	0.2	0.3
Unrealised gains/ (losses) from investments	0.8	(1.6)
Actuarial gains from pension scheme	0.3	0.5

**REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

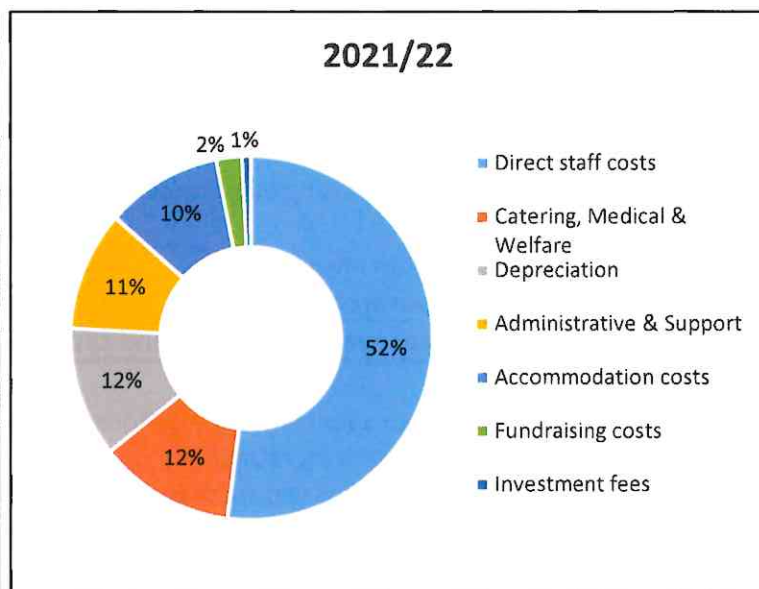
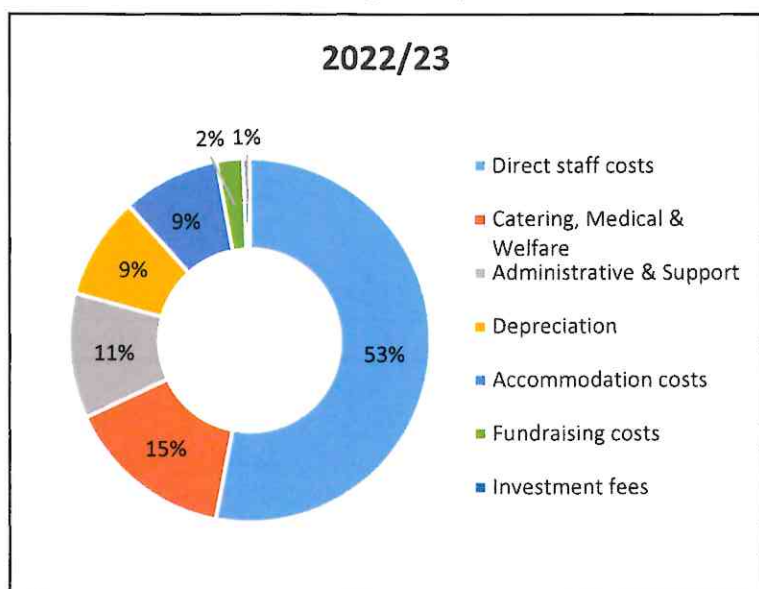
**Financial Review (continued)**

Resident numbers averaged 195 for 2022/23 compared to 169 in 2021/22. This resulted in an increase in both fee income and operational expenditure. The deficit before investment gains and capital fundraising improved to £1.9m compared to £2.4m in 2022. Legacy income increased by £1.2m due to a large legacy recognised towards the end of 2022/23. The prior year included the disposal of Belmont Lodge which generated a profit on disposal of £0.8m. The performance of the investment portfolios improved resulting in an unrealised gain of £0.8m compared to a unrealised loss in 2021/22 of £1.6m.

**Where our income came from**



**Where the money was spent**



## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Investment Policy and Performance

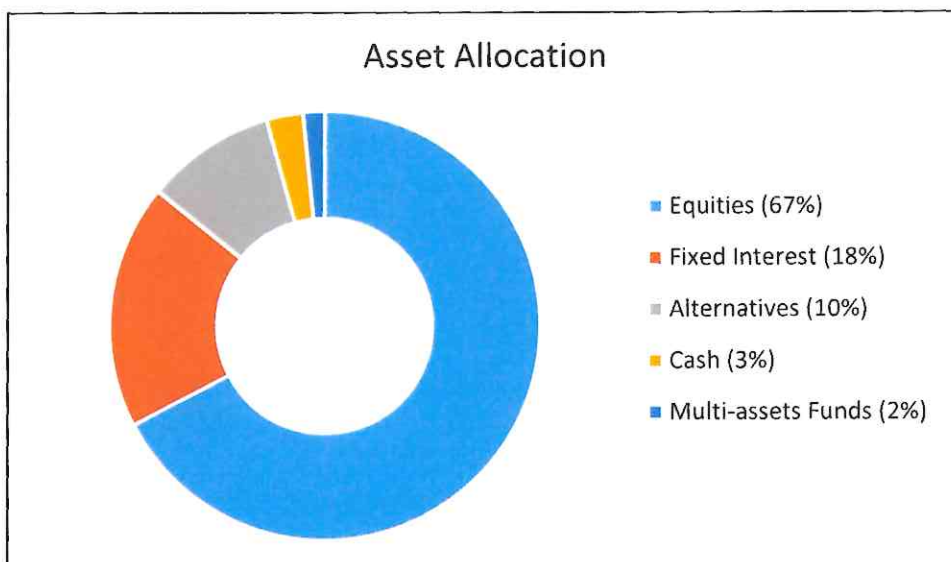
The performance of the charities investment portfolios improved throughout the 2022/23 financial year. In particular investments held with Veritas generated £887k (99%) of the total £894k unrealised gain on listed investments. There was an unrealised loss of £46k on the investment property. Realised and unrealised gains on investments totalled a gain of £1.0m (2022: loss of £1.4m). Income from investments and short term deposits increased to £0.8m (2022: £0.4m), as the charity took advantage of improved interest rates on cash deposits.

As part of maintaining good financial stewardship of the charity’s resources, the directors appoint two fund managers to manage the investment portfolio. The Board sets the investment mandate which is targeted at achieving total or real returns on a rolling 5 year period with an emphasis on capital growth. The Board’s risk appetite is set as medium risk, in line with the Asset Risk Consultants (ARC) Group indices. The fund managers have full discretion to invest the charity’s funds according to the investment mandate and the set target of attaining (or outperforming) UK CPI +3%, net of all fees. The Investment Committee receives periodic updates from both fund managers and provides an update on performance at every Trustee Board meeting.

Stock markets continued the recovery that began in autumn 2022 but returns from bonds have been weaker, as the backdrop for interest rates did not change in a more positive direction. The disparity in returns between Veritas and Schroders since the end of 2022, in part, reflects the extent to which their portfolios are respectively exposed to the better performing areas of the global equity markets, in particular some of the more highly rated technology companies, which have led the markets higher in 2023 and where Veritas have a heavier weighting. Schroders, by contrast, are maintaining a more cautious stance and are currently favouring “quality/value” stocks (such as financials), dividend payers and smaller companies.

As at 30 September 2023, the investment in Vanguard S&P 500 UCITS ETF was the single largest holding in the portfolio, representing 5.8% of the total portfolio (2022: 0%).

The total investment portfolio as at 30 September 2023 was £23.3m (2022: £27.0m), excluding the managed investment property valued at £0.3m (2022: £0.3m). The asset allocation is illustrated below:



## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Free Reserves**

An important role for our Board of Trustees is to manage the long-term sustainability of the charity. We have therefore set our reserves policy to:

1. Partly fund the funding gap between fee income and cost of care
2. Ensure we are resilient and have the financial capability to momentarily respond to unforeseen financial difficulties
3. Allow investment in the refurbishment of Nightingale House, technological advancement, energy efficiency schemes and estates and facilities management
4. Enable future expansion of our services to the elderly members of the community.

We have calculated our free reserves as that part of the charity's unrestricted income funds that is freely available after taking account of the tangible fixed assets, restricted, endowment and designated funds earmarked for specific projects. We have considered that given the nature of the charity's work, political uncertainty around social care funding, economic uncertainties, impact on disposable income, stock market volatilities and the growing demand for elderly care, the level of free reserves should be equivalent to at least 6 to 12 months' expenditure.

We are also of the opinion that the free reserves should afford the charity the flexibility to cover temporary shortfalls in incoming resources either due to the timing difference in cash flow or funding shortfall. As at 30<sup>th</sup> September 2023 the charity held free reserves of £21.8m. Based on the 2022/23 results, the free reserves cover 10.5 months of operational expenditure. Free reserves are therefore in line with requirements.

### **Going Concern**

The charity continues to benefit from support from the community, high performing investment portfolios and currently has a waiting list of potential residents for Hammerson House. The 3 and 10-year financial forecasts shows the charity's ability to meet its financial commitment for the foreseeable future. As such, the Board of Trustees is comfortable that the accounts have been prepared on a going concern basis.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Fundraising for our Charitable Objectives**

With the ever more complex care needs and the impact of government initiatives such as the National Living Wage and the pension reform, the need to fundraise to support core funding has never been greater. Local authorities and the NHS, who fund a substantial proportion of our residents, are operating under ever-tightening budgetary constraints. In order to provide the same level of care to all residents, we have to raise in the region of £3.0m per annum through fundraising activities and legacies. This amount will only increase as the differential grows between costs of care on the one hand and government funding on the other.

Our donors and benefactors have continued to give generously, for which we are very grateful. We raised £1.0m (net fundraising income) in the year to support day to day operations with an additional £2.2m received from legacies. The publicity within the community surrounding the Hammerson House, Wohl Campus, development created a natural opportunity for us to raise awareness of what makes Nightingale Hammerson special.

Our heartfelt thanks go to all our donors.

### **Our Commitment to the Fundraising Code of Practice**

Nightingale Hammerson is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We aim to achieve best practice in the way we communicate with our donors and other supporters. Our supporters are at the heart of our ability to fulfil our mission. Following continued scrutiny of fundraising practices across the sector, we have reviewed our systems to ensure that formal consent is gained from all those whom we wish to contact for fundraising purposes. By reviewing our processes, we aim to achieve the standards set out in the Fundraising Code of Practice and ensure compliance with the General Data Protection Regulation. We do not employ third party professional fundraisers or commercial organisations to fundraise on our behalf. We recently undertook a crowd funding fundraising event where the service of a third party charity was employed to provide the technology and campaign expertise needed to make the event a success. We remained the Data Controller and ensured appropriate due diligence were undertaken prior to engaging that firm.

Also in compliance with the Fundraising Code of Practice, we do not take part in any intrusive or high-pressure fundraising activities such as street fundraising, door-to-door or cold-calling. We listen to feedback and investigate any complaints regarding our fundraising activities. During the year, we received no complaints about our fundraising activities.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty**

#### **Our Approach to Risk Management**

Risk is inherent in our operations and the decisions made in pursuit of our charitable goals. The Board of Trustees is responsible for the nature and extent of the principal risks that we are willing to take. It reviews the principal risks to the organisation and ensures that risks are effectively managed through our governance structure. The Board delegates the detailed review of operational risks to the Audit and Risk Committee who review both financial and non-financial risk registers. Our principal risk portfolio will continue to be reviewed by the Board as relating to our strategic priorities. The sub-committees of the Board, namely the Care, Finance and Investment Committees, have continued to focus on more in-depth management of our day-to-day responses to risks. Our principal risks with mitigating actions are:

#### **Fire**

With a large number of frail and often immobile residents, managing fire risk is a key priority for us. Detailed fire risk assessments are undertaken at all levels across the organisation. This includes monthly fire drills in households, fire safety awareness for all staff, periodic fire risk assessments and ensuring the designated fire marshals have the necessary training. During the year, three fire risk assessments were completed at both homes, two at Hammerson House, Wohl Campus, (pre-occupational and occupational) and one at Nightingale House and all issues raised have been mitigated. Other improvements have been implemented, with some short term solutions found at Nightingale whilst the refurbishment plan is finalised. Furthermore, each resident has a Personal Emergency Evacuation Plan which takes into account their particular needs in relation to fire evacuation. Fire alarms are tested weekly and periodic fire drills are done. Reports on fire drills, fire incidents and fire risk assessments are reported at the Audit and Risk Committee.

#### **Security Risks**

The crisis in Israel has increased the risk of anti semitism and possible terror threat in both homes. We are in regular contact with Community Security Trust (CST) and the Metropolitan Police and are constantly monitoring the situation internally and externally. Both homes employ security guards with appropriate training. Staff have had Project Griffin training and, Crime Awareness & Counter Terrorism training, delivered by the Metropolitan police. We maintain regular communication with our residents and relatives.

#### **Fundraising**

The crisis in Israel has also increased the risk of the charity not meeting its annual fundraising target. We are anticipating a reduction of around 30% in fundraising income. This has been factored into the forecasts with a major review of the charities expenditure taking place to ensure costs are kept low during this time of uncertainty. The fundraising committee meet regularly with a new strategy being implemented.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty (continued)**

#### **Recruitment and Retention**

Recruitment and retention, although it is a known challenge within the care sector, became a bigger risk to us with the opening of Hammerson House, Wohl Campus. This is directly linked to our ability to take on new residents as planned, resulting in loss of income opportunities. We also saw an increase in the use of agency staff and overtime payments. A recruitment and admission plan was put in place with progress monitored by SLT and regular updates provided to the Trustees. A new pay and reward structure was also implemented which has enhanced the starting wage of our frontline staff and also offer new benefits to enhance retention and staff referral. A new People Strategy was also developed and presented to the Board. This will build on the new pay and reward structure as well as promote wellbeing at work to reduce absenteeism, diversity and inclusion and developing career pathways.

#### **Financial**

Just like households across the country, care homes, like ours, are being hit by soaring energy bills and food prices. The impact of this and the increase to staff wages and insurance premiums has had a significant impact on our operational expenditure. Furthermore the Adult Social Care Charging Reform published on 3 December 2021 which has been delayed to take effect from October 2025, will add some financial challenges, in addition to the budgetary squeeze on local government funding. A detailed financial risk register is maintained and overseen by the Finance Committee, who continue to review ways to improve our financial resilience in order to ensure sustainability. We continue to assess the impact of these risks on the bottom-line through the 3 and 10 year financial model.

#### **Health and Safety**

Our approach to maintaining a good Health and Safety practice at work is very hands-on. We established three core Health and Safety groups to focus on operations, care and property maintenance. These core groups hold quarterly meetings and provide updates to the Principal Health and Safety Committee which also meets quarterly. Due to the Covid-19 pandemic, the focus of the core groups and committee was more on mitigating the spread of the virus and ensuring the recommended hygiene practices were adopted across the organisation. Regular risk assessments are carried out and remedial action taken where needed. Code-operated doors protect all residents from areas which may be hazardous, such as open staircases. Areas of high risk, such as laundry and kitchen, are only accessible by authorised staff. All staff receive health and safety training specific to their areas of responsibility.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Streamlined Energy and Carbon Reporting

We have commissioned a report for 2023 which is currently being produced by Carbon Footprint Ltd. The below therefore relates to the prior year. The 2023 report will be uploaded to our website once it is completed.

We remain committed to measuring and reducing our energy consumption and the carbon impact of our operations on the physical environment. Nightingale Hammerson has appointed Carbon Footprint Ltd, a leading carbon and energy management company, to independently assess its Greenhouse Gas (GHG) emissions in accordance with the UK Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'.

The GHG emissions have been assessed following the ISO 14064-1:2018 standard and has used the 2022 emission conversion factors published by Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). The assessment follows the location-based approach for assessing Scope 2 emissions from electricity usage. The operational control approach has been used. As part of the required disclosure, the scope of emission were categorised as:

- Scope 1: comprises direct emissions associated with the combustion of fuel (natural gas) as well as additional emissions sources such as refrigerants and owned transport (the minivan).
- Scope 2: comprises primarily indirect energy consumption including consumption of purchased electricity.
- Scope 3: relates to other indirect emissions occurring as a consequence of activities not owned or controlled by the charity e.g. service-related travel.

The table below summarises the GHG emissions for reporting year: 1st October 2021 to 30th September 2022. We have been assessing our carbon emissions since 1st October 2019 and have provided the baseline year and last year's assessment results for comparison.

Scope	Activity	2019/20 tCO <sub>2</sub> e	2020/21 tCO <sub>2</sub> e	2021/22 tCO <sub>2</sub> e
<b>Scope 1</b>	Site gas	580.46	1,029.75	698.37
	Owned Vans	0.17	5.69	8.47
	Refrigerants	17.23	0.00	0.00
<b>Scope 1 Sub Total</b>		<b>597.86</b>	<b>1,035.44</b>	<b>706.84</b>
<b>Scope 2</b>	Electricity generation	402.09	426.69	471.37
<b>Scope 2 Sub Total</b>		<b>402.09</b>	<b>426.69</b>	<b>471.37</b>
<b>Scope 3</b>	Electricity transmission & distribution	34.58	37.76	43.12
<b>Scope 3 Sub Total</b>		<b>34.58</b>	<b>37.76</b>	<b>43.12</b>
<b>Total tonnes of CO<sub>2</sub>e<sup>1</sup></b>		<b>1,034.53</b>	<b>1,499.89</b>	<b>1,221.33</b>
<b>Tonnes of CO<sub>2</sub>e per employee</b>		<b>3.11</b>	<b>4.33</b>	<b>3.12</b>
<b>Tonnes of CO<sub>2</sub>e per £M turnover</b>		<b>100.34</b>	<b>136.35</b>	<b>66.81</b>
<b>Total Energy Consumption (kWh)*</b>		<b>4,882,296</b>	<b>7,105,661</b>	<b>6,263,378</b>

\* Total Energy Consumption includes UK Electricity, UK Site Gas, Company Owned Vehicles.

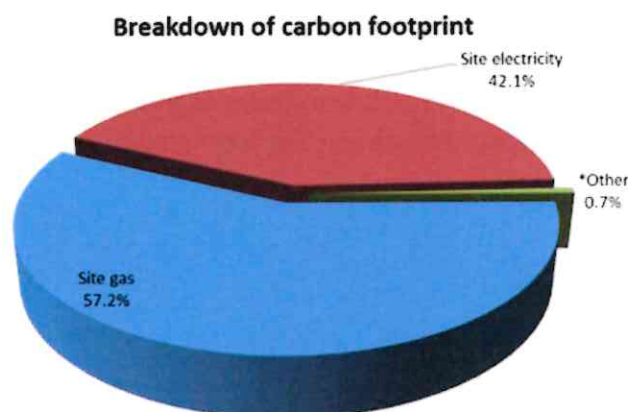
CO<sub>2</sub>e = Carbon O<sub>2</sub> Emission

<sup>1</sup> Emissions from electricity transmission & distribution have not been included as this is outside the boundary required for SECR Regulations.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Streamlined Energy and Carbon Reporting (continued)

The data shows our energy consumption decreased from 1,500 tonnes to 1,221 tonnes CO<sub>2</sub>e at the end of September 2022. Nightingale Hammerson's total carbon footprint increased by 18.1% compared the baseline year. This is due to the increase from all emission sources except refrigerants, which is linked to this being the first full year that Hammerson House was operational. However, Nightingale Hammerson has reduced its total emissions from the previous year which is due to a 32% reduction in natural gas emissions. Natural gas emissions have declined due to gas consumption at Nightingale House falling from 5.071 million kWh to 2.397 million kWh (53% reduction). This is linked to the one of the households at Nightingale House being closed for refurbishment and a longer period of warmer weather.



The chart shows that natural gas consumption represents 57% of the total emissions, whilst electricity consumption represents a further 42% of the emissions. Therefore, site energy consumption contributes to the bulk of the total footprint at 99.3%. We have therefore developed our energy efficiency and sustainability policy to focus on:

- **Measuring our carbon footprint:**  
We will continue to measure our carbon footprint and report this as part of the charity's annual reports, annual review and on our website. Measuring our emissions will enable us to analyse our consumption levels and set SMART targets to reduce levels year on year.
- **Going green:**  
We will seek ways of making our homes and offices more environmentally friendly such as choosing an energy provider that uses renewable energy or use low carbon alternatives where safe. As part of our property refurbishment programme, we will replace our fluorescents with LED lighting, install lighting controls and sensors and promote switching off lights when not needed. We will also encourage staff to switch off computers and any other appliances, improve our Heating, Ventilation and Air-Conditioning (HVAC) systems and look to re-schedule timing of some activities, where practicable, to conserve energy.
- **Reduce, reuse, recycle:**  
We will recycle what we can, reduce what we use and reuse or upcycle items. We promote recycling by ensuring there are recycling bins around the homes and offices. We will also seek to move away from single use plastics as best as possible.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

- ***Our Stakeholders:***

We will maximise our residents' access to the natural environment for the benefit of health and wellbeing. We will seek donors and partners with energy efficiency focus to support us on our journey to net zero carbon. Where net zero carbon emission cannot be achieved, we will invest in projects that allow the charity to offset its net emissions. We will ask our suppliers and contractors about how they are demonstrating their commitment to energy efficiency and sustainability as part of our procurement processes.

- ***Reduce your digital footprint:***

We will endeavour to reduce our digital footprint too by assessing how environmentally friendly our website and digital products are, promoting a digital culture above print, using recycled papers for our printing and embracing other digital energy efficiency initiatives. We will embrace new technologies and enhance existing technologies wherever possible.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report of the directors of the corporate trustee and accounts 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 directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity, of the income and expenditure of the charity for that period.

In preparing these accounts, the directors are 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 financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's governing document.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Director

Date of approval: 18<sup>th</sup> April 2024

## **INDEPENDENT AUDITOR'S REPORT**

Independent auditor's report to the directors of the corporate trustee of Nightingale Hammerson

### **Opinion**

We have audited the accounts of Nightingale Hammerson (the 'parent charity') and its subsidiaries (the 'group') for the year ended 30 September 2023 which comprise the group and parent charity statement of financial activities, the group and charity balance sheets, the consolidated statement of cash flows, 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 group's and of the parent charity's affairs as at 30 September 2023 and of their 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 accounts section of our report. We are independent of the group 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 directors of the corporate trustee's 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 group and parent 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 directors of the corporate trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

In connection with our audit of the accounts, 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 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 accounts 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:

- the information given in the report of the directors of the corporate trustee is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity accounts 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 directors of the corporate trustee**

As explained more fully in the directors' responsibilities statement, the directors of the corporate trustee 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 directors of the corporate trustee 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 directors of the corporate trustee are responsible for assessing the group's and the parent 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 directors of the corporate trustee either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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 the 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:

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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

Our approach to identifying and assessing the risks of material misstatements 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; and
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

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

- making enquiries of management as to 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;
- reviewed the new bad debt provision made in the year to ensure all transactions provided for were reasonable to provide for;
- carried out substantive testing of expenditure including the authorization thereof;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimate for the property valuations were indicative of potential bias.

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

- review of the minutes of meetings of those charged with governance; and
- enquiring of management 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 directors of the corporate trustee and other management and the inspection of regulatory and legal correspondence, if any.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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

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 accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the directors of the corporate trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the directors of the corporate trustee 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 directors of the corporate trustee as a body, for our audit work, for this report, or for the opinions we have formed.



**Buzzacott LLP**

25 April 2024

**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

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2023

		Unrestricted Funds			2023	2022
		General Fund	Designated Fund	Restricted Fund	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000
	Note					
<b>Income from:</b>						
Donations and legacies						
Revenue purposes	2	3,643	-	189	<b>3,832</b>	2,913
Capital purposes	2	-	-	21	<b>21</b>	196
Investments and short term deposits	3	728	-	65	<b>793</b>	381
Charitable activities						
Provision of residential and nursing care	4	19,055	-	-	<b>19,055</b>	14,771
Government's infection control grant		-	-	20	<b>20</b>	396
Surplus on disposal of tangible fixed assets		-	-	-	-	846
Other sources		113	-	-	<b>113</b>	106
<b>Total Income</b>		<b>23,539</b>	-	<b>295</b>	<b>23,834</b>	19,609
<b>Expenditure on:</b>						
Raising funds						
Generating donations and legacies	5	606	-	-	<b>606</b>	508
Investment management costs		147	-	-	<b>147</b>	170
Charitable activities						
Provision of residential and nursing care	6	22,605	1,802	570	<b>24,977</b>	21,055
Taxation		-	-	-	-	46
<b>Total expenditure</b>		<b>23,358</b>	<b>1,802</b>	<b>570</b>	<b>25,730</b>	<b>21,779</b>
<b>Net income/(expenditure) for the year before transfers and gains/(losses) on investments</b>		<b>181</b>	<b>(1,802)</b>	<b>(275)</b>	<b>(1,896)</b>	(2,170)
Transfers between funds	19	(876)	1,138	(262)	-	-
Gains/(losses) on investments						
Realised gains on disposal of investments	16	196	-	-	<b>196</b>	272
Unrealised gains/ (losses) on investments	16	848	-	-	<b>848</b>	(1,633)
<b>Net (expenditure) income for the year</b>		<b>349</b>	<b>(664)</b>	<b>(537)</b>	<b>(852)</b>	<b>(3,531)</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on pension scheme		288	-	-	<b>288</b>	502
<b>Net movement in funds</b>		<b>637</b>	<b>(664)</b>	<b>(537)</b>	<b>(564)</b>	<b>(3,029)</b>
Funds brought forward at 1 October 2022		23,837	53,376	12,952	<b>90,165</b>	93,194
<b>Funds carried forward 30 September 2023</b>	21	<b>24,474</b>	<b>52,712</b>	<b>12,415</b>	<b>89,601</b>	<b>90,165</b>

The consolidated statement of financial activities includes the results of Nightingale Hammerson and Chalkford Limited.

All of the figures included in the above consolidated statement of financial activities derive from continuing activities of the charity and its subsidiaries.

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2023

		Unrestricted Funds			2023	2022	
		General	Designated	Restricted	Total	Total	
		Fund	Fund	Fund	Funds	Funds	
		£'000	£'000	£'000	£'000	£'000	
Note							
<b>Income from:</b>							
Donations and legacies							
	Revenue purposes	2	3,700	-	189	3,889	2,862
	Capital purposes	2	-	-	21	21	196
	Investments and short term deposits	3	728	-	65	793	381
Charitable activities							
	Provision of residential and nursing care	4	19,055	-	-	19,055	14,771
	Government's infection control grant		-	-	20	20	396
	Surplus on disposal of tangible fixed assets		-	-	-	-	846
	Other sources		113	-	-	113	99
<b>Total income</b>			<b>23,596</b>	<b>-</b>	<b>295</b>	<b>23,891</b>	<b>19,551</b>
<b>Expenditure on:</b>							
Raising funds							
	Generating donations and legacies	5	606	-	-	606	508
	Investment management costs		147	-	-	147	170
Charitable activities							
	Provision of residential and nursing care	6	22,605	1,802	570	24,977	21,055
<b>Total expenditure</b>			<b>23,358</b>	<b>1,802</b>	<b>570</b>	<b>25,730</b>	<b>21,733</b>
<b>Net income/(expenditure) for the year before transfers and gains/(losses) on investments</b>			<b>238</b>	<b>(1,802)</b>	<b>(275)</b>	<b>(1,839)</b>	<b>(2,182)</b>
	Transfers between funds	19	(933)	1,195	(262)	-	-
Gains/(losses) on investments							
	Realised gains on disposal of investments	16	196	-	-	196	272
	Unrealised gains/(losses) on investments	16	848	-	-	848	(1,633)
<b>Net (expenditure) income for the year</b>			<b>349</b>	<b>(607)</b>	<b>(537)</b>	<b>(795)</b>	<b>(3,543)</b>
<b>Other recognised gains and losses</b>							
	Actuarial gains on pension scheme		288	-	-	288	502
<b>Net movement in funds</b>			<b>637</b>	<b>(607)</b>	<b>(537)</b>	<b>(507)</b>	<b>(3,041)</b>
Funds brought forward at 1 October 2022			23,800	55,601	12,963	92,364	95,405
<b>Funds carried forward 30 September 2023</b>		21	<b>24,437</b>	<b>54,994</b>	<b>12,426</b>	<b>91,857</b>	<b>92,364</b>

All the figures included in the above statement of financial activities derive from continuing activities of the charity.

## BALANCE SHEET

As at 30 September 2023

		2023		2022	
	Note	Group £'000	Charity £'000	Group £'000	Charity £'000
<b>Fixed assets</b>					
Tangible assets	14	48,222	50,517	49,426	51,664
Investments	16	23,573	23,574	27,271	27,272
		<b>71,795</b>	<b>74,091</b>	76,697	78,936
<b>Current assets</b>					
Debtors	17	5,457	5,842	3,314	3,879
Short term deposits		10,151	10,151	8,014	8,014
Cash at bank and in hand		3,309	3,117	3,202	3,185
		<b>18,917</b>	<b>19,110</b>	14,530	15,078
<b>Creditors:</b>					
amount falling due within one year	18	(3,817)	(4,050)	(3,480)	(4,068)
		<b>15,100</b>	<b>15,060</b>	<b>11,050</b>	<b>11,010</b>
<b>Net current assets</b>					
		<b>15,100</b>	<b>15,060</b>	<b>11,050</b>	<b>11,010</b>
<b>Total assets less current liabilities</b>		<b>86,895</b>	<b>89,151</b>	<b>87,747</b>	<b>89,946</b>
Pension scheme asset	23	2,706	2,706	2,418	2,418
<b>Total net assets</b>		<b>89,601</b>	<b>91,857</b>	<b>90,165</b>	<b>92,364</b>
<b>Funds and reserves</b>					
<b>Charitable funds</b>					
Restricted funds	19	12,415	12,426	12,952	12,963
Unrestricted funds					
Designated funds					
Hammerson House building fund	20	-	-	-	-
Nightingale House building fund	20	8,500	8,500	8,500	8,500
Maintenance fund	20	3,500	3,500	3,500	3,500
Tangible fixed assets fund	20	40,712	42,994	41,376	43,601
		<b>52,712</b>	<b>54,994</b>	53,376	55,601
General fund		21,768	21,731	21,419	21,382
Pension reserve	23	2,706	2,706	2,418	2,418
	21	<b>89,601</b>	<b>91,857</b>	<b>90,165</b>	<b>92,364</b>

Approved by the directors of the corporate trustee

And signed on their behalf by:



Director of corporate trustee

Approved on: 18<sup>th</sup> April 2024

## CONSOLIDATED STATEMENTS OF CASH FLOW

For the year ended 30 September 2023

		2023	2022
		£'000	£'000
<b>Cash flows from operating activities</b>			
Net Cash (used in) operating activities	A	(2,160)	(1,183)
<b>Cash flows from investing activities</b>			
Investment income		245	23
Income from capital fundraising		108	1,561
Purchase of tangible fixed assets		(1,087)	(550)
Proceeds from disposal of tangible fixed assets		-	1,500
Withdrawals from investment portfolio		5,000	-
Cash placed on deposit		(2,000)	(3,500)
<b>Net cash provided by (used in) investing activities</b>		<b>2,267</b>	<b>(966)</b>
Change in cash and cash equivalents in the year		107	(2,149)
Cash and cash equivalents at 1 October 2022		3,202	5,351
<b>Cash and cash equivalents at 30 September 2023</b>	B	<b>3,309</b>	<b>3,202</b>

### Notes to the consolidated statement of cash flows for the year to 30 Sept 2023

A Reconciliation of net movement in funds to net cash (used in) operating activities

	2023	2022
	£'000	£'000
<b>Net movements in funds (as per the statement of financial activities)</b>	<b>(564)</b>	<b>(3,029)</b>
Adjustments for:		
Depreciation charge	2,342	2,526
Loss (surplus) on disposal of tangible fixed assets	58	(846)
(Gains) losses on investments	(1,044)	1,361
Investment income	(793)	(381)
(Increase) in value of pension asset	(288)	(502)
Income from capital fundraising	(21)	(196)
Increase in debtors	(2,230)	(791)
Increase in creditors	229	504
Investment manager fees deducted from portfolios	151	171
<b>Net cash used in operating activities</b>	<b>(2,160)</b>	<b>(1,183)</b>

B Analysis of cash and cash equivalents

	2023	2022
	£'000	£'000
Cash at bank and in hand	3,309	3,202
<b>Total cash and cash equivalents</b>	<b>3,309</b>	<b>3,202</b>
Short term deposits	10,151	8,014
Cash held with investment managers	645	911
<b>Total</b>	<b>14,105</b>	<b>12,127</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1. PRINCIPAL ACCOUNTING POLICIES

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

#### **Basis of preparation**

These accounts have been prepared for the year to 30 September 2023 with comparative information given in respect to the year to 30 September 2022.

The accounts 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 accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102), 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 accounts are presented in sterling and rounded to the nearest thousand pounds.

#### **Going Concern**

The directors, after reviewing the charity's financial performance, operating budget, investment plans, fundraising strategy and financial forecasts, consider that the charity have sufficient funding to continue to provide residential, nursing, dementia and palliative care for the foreseeable future. The directors have assessed the prospects of the charity over a three-year period to September 2025. This has taken into account the business models, strategic aims, risks and mitigations of the micro and macro-economic factors as affecting the charity. Based on this assessment, the directors continue to adopt the going concern basis in preparing the accounts.

In determining the going concern basis of preparing the accounts for the year ended 30 September 2023, the directors are required to consider whether the charity can continue in operational existence for a period of at least 12 months from the approval of the accounts. As at 30 September 2023, the total assets less current liabilities of the group were £87m while the total net assets were £90m. Liquidity as at that date was £14m made up of £3.3m cash and cash equivalents, £10.1m of short term deposits and £0.6m cash held with investment managers. The increase in liquidity from prior year reflects the withdrawal of cash from our investment portfolios to allow for future capital plans and in response to the deficit budget.

In addition to the increased operational growth capacity, the charity:

- Does not have or intend to have long term borrowings over the assessed period. Gearing ratio and interest cover is nil.
- Reviewed the true cost of care and plan to increase fees accordingly.
- Plans to invest in Nightingale House to improve resident numbers and grow the charitable activities
- Has an investment portfolio, including investment property, of £23.6m as at 30 September 2023.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. PRINCIPAL ACCOUNTING POLICIES (continued)**

The operating model included some downside scenarios such as occupancy numbers falling below budget, higher pay rates, higher costs or lower fundraising income than projected. The impact of the downside scenarios were reviewed against the charity's projected cash position and investments. Should the worst case scenario occur, mitigating actions will include divesting part of the charity's investments to maintain the ideal liquidity level and financially viable in the going concern assessment period.

#### **Basis of consolidation**

The statement of financial activities and balance sheet consolidate the accounts of the charity and its group undertakings (listed below) made up to the balance sheet date.

- Chalkford Limited, a UK trading subsidiary which is a property construction company.
- Friends of Nightingale House, a charitable trust no longer operational but having had the purpose of raising funds on behalf of Nightingale Hammerson.

Intra-group transactions are eliminated in full.

#### **Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the directors of the corporate trustee and management to make significant judgements and estimates.

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

- assessing the probability of the receipt of legacy income
- estimating accrued expenditure
- determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure
- estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge
- estimating the market value of investment property
- assessing the recoverability of outstanding debtors for residential and care home fees
- assessing the appropriateness of the assumptions made by the actuary in arriving at the actuarial valuation of the charity's defined benefit pension scheme
- determining the value of designated funds set aside at the year end.

#### **Income recognition**

Income is recognised in the period in which the group and/or charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

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

### **1. Principal Accounting Policy (continued)**

The group's main income source of income is from its charitable activities including care home residential, dementia and nursing fee income. Other income sources include donations, legacies, income from fundraising events, income from investments and interests from short term bank deposits and other sources.

Donations are recognised when the charity and/or group has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amounts are only accrued once formal pledge agreements are in place; if no such agreements exist the donations are recognised on receipt. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the amount can be reasonably estimated, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured, or estimated, reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity and/or group, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Charity.

Investment income is recognised once the dividend or similar income has been declared and notification has been received of the amount due.

Interest on funds held on short term deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Interest on fixed interest, fixed term deposits is recognised evenly across the deposit term.

Fees for residential and nursing care are recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. They are measured at the fair value of the consideration received or receivable based on agreements with residents and funding agencies, excluding any relevant value added tax.

Income from other sources is measured at fair value and on an accruals basis.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

#### Expenditure recognition

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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings as described in Note 7. The classification between activities is as follows:

- Expenditure on raising funds includes: the salaries, direct costs and overheads associated with generating donated income and legacies; the fees paid to investment managers in connection with maintaining the portfolio of listed investments; and the expenditure of the Charity's trading subsidiary in the UK.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of charitable activities i.e. the provision of holistic quality care to older Jewish people. This includes expenditure on residential and nursing care and the depreciation of those assets used for care purposes.

All expenditure is stated inclusive of irrecoverable VAT.

#### Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity, it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Support costs and governance costs are apportioned based on the allocation basis as described in Note 7 to these accounts.

#### Tangible fixed assets

All items of furniture, fittings and equipment with a value in excess of £1,000 and which have an expected useful life exceeding one year are capitalised and depreciated. Depreciation is not charged on buildings under construction or on freehold land. The depreciation charges applied to assets on a straight line basis over their estimated useful life are as below:

Property (Freehold and Leasehold):	Development substructure	100 years
	Development super structure	65 years
	Freehold property	25 to 50 years
	Development external works	30 years
	Development Mechanical and Engineering	25 years
	Development finishes, fittings (not loose)	20 years
	Café and kitchen	15 years
Plant:	Plant	10 years
Furniture, Equipment & Vehicles:	Loose fixtures and fittings	5 years
	Motor vehicles	4 years

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

### **1. Principal Accounting Policy (continued)**

#### **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. The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Properties held for investment are included in the accounts at their estimated current market value as determined by the directors of the corporate trustee after consultation with their professional property advisers.

Investments in UK trading subsidiaries are included in the accounts at cost with provision being made for any permanent diminution in value.

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 combined in the statement of financial activities and are credited (or debited) 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. Cash held by investment managers as part of their management strategy is included in fixed asset investments.

#### **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.

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

### **1. Principal Accounting Policy (continued)**

#### **Fund structure**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the directors.

The designated funds are monies or assets set aside out of general funds and designated for specific purposes by the directors.

The tangible fixed assets fund represents the net book value of the tangible fixed assets used for the support of the work of the charity and/or group.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Non-charitable trading funds consist of the retained assets of activities conducted through non-charitable trading subsidiary.

#### **Pension contributions**

The charity has a defined benefits pension scheme which is closed to new members. The assets of the scheme are held and managed separately from those of the charity. Pension scheme assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset to the extent that the charity is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. Any change in the asset or liability between balance sheet dates is reflected in the statement of financial activities in recognised gains and losses for the period.

The charity also contributes to the defined contributions scheme and contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2. INCOME FROM DONATIONS AND LEGACIES

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2023 Total Funds</b>	<b>2022 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations	1,400	189	<b>1,589</b>	1,888
Hammerson House capital fund	-	16	<b>16</b>	196
Legacies				
Revenue donations	2,243	-	<b>2,243</b>	1,025
Capital fund	-	5	<b>5</b>	
<b>2023 Total Funds</b>	<b>3,643</b>	<b>210</b>	<b>3,853</b>	<b>3,109</b>
2022 Total Fund	2,729	380	3,109	

<b>Charity</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2023 Total Funds</b>	<b>2022 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations	1,457	189	<b>1,646</b>	1,837
Hammerson House capital fund	-	16	<b>16</b>	196
Legacies				
Revenue donations	2,243	-	<b>2,243</b>	1,025
Capital fund	-	5	<b>5</b>	
<b>2023 Total Funds</b>	<b>3,700</b>	<b>210</b>	<b>3,910</b>	<b>3,058</b>
2022 Total Fund	2,678	380	3,058	

### 3. INCOME FROM INVESTMENTS

<b>Group and Charity</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2023 Total Funds</b>	<b>2022 Total Funds</b>
	£'000	£'000	£'000	£'000
Income from listed investments by fund manager				
Investment Income Veritas	87	-	<b>87</b>	98
Investment Income Schroders	148	65	<b>213</b>	190
	235	65	<b>300</b>	<b>288</b>
Rental income	8	-	<b>8</b>	8
Interest receivable	485	-	<b>485</b>	85
<b>2023 Total Funds</b>	<b>728</b>	<b>65</b>	<b>793</b>	<b>381</b>
2022 Total Fund	333	48	381	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4. INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Restricted Fund	2023 Total Funds	2022 Total Funds
	£'000	£'000	£'000	£'000
<b>Group and charity</b>				
Maintenance contributions receivable	19,055	-	19,055	14,771
<b>Total maintenance contributions receivable</b>	<b>19,055</b>	<b>-</b>	<b>19,055</b>	<b>14,771</b>

### 5. EXPENDITURE ON GENERATING DONATIONS AND LEGACIES

	General Fund	Designated Fund	Restricted Fund	2023 Total Funds	2022 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Group and Charity</b>					
Staff costs	270	-	-	270	227
Fundraising, legacy and appeal expenses	302	-	-	302	249
Support costs (Note 7)	34	-	-	34	32
<b>2023 Total Funds</b>	<b>606</b>	<b>-</b>	<b>-</b>	<b>606</b>	<b>508</b>
2022 Total Fund	508	-	-	508	

### 6. EXPENDITURE ON PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Designated Fund	Restricted Fund	2023 Total Funds	2022 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Group and Charity</b>					
Staff costs	13,611	-	18	13,629	11,324
Catering and food	2,766	-	-	2,766	1,776
Premises day to day costs	2,249	-	-	2,249	2,256
Medical, care and welfare costs	1,076	-	12	1,088	867
Support costs (Note 7)	2,903	-	-	2,903	2,305
Depreciation (Note 14)	-	1,802	540	2,342	2,526
<b>2023 Total Funds</b>	<b>22,605</b>	<b>1,802</b>	<b>570</b>	<b>24,977</b>	<b>21,055</b>
2022 Total Fund	18,074	1,844	1,137	21,055	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 7. SUPPORT COSTS

The support costs and the basis of their allocation were:

	Generating donations and legacies	Provisions of residential and nursing care	Total	Basis of apportionment
<b>Group and Charity</b>	£'000	£'000	<b>£'000</b>	
Support Staff Cost	15	1,273	<b>1,288</b>	Head count
Administrative and Governance costs Information and Communication Technology	4	292	<b>296</b>	Head count
Insurance	3	276	<b>279</b>	Head count
Human Resources and Volunteering	4	335	<b>339</b>	Head count
	8	693	<b>701</b>	Head count
<b>2023 Total - Group and Charity</b>	<b>34</b>	<b>2,869</b>	<b>2,903</b>	

### 8. UK TRADING SUBSIDIARY

Nightingale Hammerson owns the entire called up ordinary share capital of Chalkford Limited, a property construction company (company registration number 01001396).

	2023	2022
	£'000	£'000
<b>Chalkford Limited</b>		
Turnover	<b>68</b>	30
Cost of sales	<b>(6)</b>	(24)
Administrative expenses	<b>(4)</b>	(3)
Operating profit	<b>58</b>	3
Interest payable	-	-
Profit before Gift Aid	<b>58</b>	3
Amount donated to Nightingale Hammerson	<b>(58)</b>	(3)
Gift aid adjustment in respect to earlier periods	-	55
Profit on ordinary activities before taxation	-	55
Taxation	-	(46)
Retained profit	-	9

At 30 September 2023, Chalkford Limited had retained profits of £8k (2022: retained profits of £8k) and called up share capital of £1k (2022: £1k). The results and the balance sheet figures have been consolidated on a line by line basis within the accounts of Nightingale Hammerson.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 9. NET (EXPENDITURE) INCOME FOR THE YEAR

This is stated after charging:

	General Fund	Designated Fund	Restricted Fund	2023 Total Funds	2022 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Group</b>					
Staff costs (Note 10)	15,332	-	18	<b>15,350</b>	12,808
Auditor's remuneration:					
Audit services- relating to current year	36	-	-	<b>36</b>	34
Audit services- relating to prior year	-	-	-	<b>11</b>	-
Other services	2	-	-	<b>2</b>	5
Depreciation (Note 14)	-	1,802	540	<b>2,342</b>	2,526

	General Fund	Designated Fund	Restricted Fund	2023 Total Funds	2022 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Charity</b>					
Staff costs (Note 10)	15,332	-	18	<b>15,350</b>	12,808
Auditor's remuneration:					
Audit services- relating to current year	36	-	-	<b>36</b>	31
Audit services- relating to prior year	-	-	-	<b>7</b>	8
Other services	-	-	-	<b>-</b>	4
Depreciation (Note 14)	-	1,802	540	<b>2,342</b>	2,526

### 10. STAFF COSTS

	2023	2022
	£'000	£'000
<b>Group and charity</b>		
Wages and salaries	<b>11,788</b>	9,273
Social security costs	<b>1,105</b>	889
Other Pension costs	<b>271</b>	231
	<b>13,164</b>	10,393
Payments to agency	<b>2,186</b>	2,413
Redundancy costs	-	2
	<b>15,350</b>	12,808

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10. STAFF COSTS (Continued)

Of payments to agency staff, £466k (2022: £799k) represents payments in respect of one to one care provision. These costs were covered by one to one care fee income.

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) were as follows:

	2023	2022
£60,000 - £70,000	5	2
£70,001 - £80,000	4	3
£80,001 - £90,000	-	1
£90,001 - £100,000	1	2
£110,001 - £120,000	1	-

Of those employees who earned £60,000 or more during the year (as defined above), employer contributions totalling £24,726 (2022: £28,092) were made to defined contribution schemes in respect of ten (2022: seven) of them. No contributions were made to defined benefit schemes (2022: £nil).

The total remuneration, including benefits, employers pension contributions and employer's national insurance contributions, paid to key management personnel in the year was £571k (2022: £576k).

The average number of employees, excluding agency staff, analysed by function, was:

	2023	2022
Generating funds	6	6
Residential and nursing care services	493	396
	<b>499</b>	<b>402</b>

### 11. TRUSTEES' REMUNERATION AND EXPENSES

No director received any remuneration or expenses from the group or charity during the year (2022 - £nil).

The nature of the charity's activities means that from time to time relatives of the directors of the corporate trustee or staff may be cared for by the Charity. In 2023, one director of the corporate trustee had a relative cared for by the charity and all fees were set at arm's length (2022: one).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 12. TRUSTEES' INDEMNITY INSURANCE

The insurance provides cover up to £5 million (2022 - £5 million) and the total premium paid in respect of such insurance was £43k (2022 - £36k). The cost of this insurance is included in the total insurance cost.

### 13. TAXATION

Nightingale Hammerson is a registered charity and therefore not liable to income tax or capital gains tax on income or gains derived from their charitable activities, as they fall within the various exemptions available to registered charities.

Chalkford Limited donates any taxable profits to Nightingale Hammerson via Gift Aid each year, in the prior year there was a tax charge of £46k.

### 14. TANGIBLE FIXED ASSETS

	<b>Freehold Property</b>	<b>Leasehold Property</b>	<b>Plant</b>	<b>Furniture, Equipment and Vehicles</b>	<b>2023 Total</b>
<b>Group Cost</b>	£'000	£'000	£'000	£'000	£'000
At 1 October 2022	45,373	38,918	1,804	3,566	<b>89,661</b>
Additions	527	(22)	134	499	<b>1,138</b>
Disposals	-	-	-	(54)	<b>(54)</b>
At 30 September 2023	<b>45,900</b>	<b>38,896</b>	<b>1,938</b>	<b>4,011</b>	<b>90,745</b>
<b>Depreciation</b>					
At 1 October 2022	35,560	1,724	932	2,019	<b>40,235</b>
Charge	685	1,068	81	508	<b>2,342</b>
Disposals	-	-	-	(54)	<b>(54)</b>
At 30 September 2023	<b>36,245</b>	<b>2,792</b>	<b>1,014</b>	<b>2,473</b>	<b>42,523</b>
<b>Net book values</b>					
At 30 September 2023	<b>9,655</b>	<b>36,104</b>	<b>925</b>	<b>1,538</b>	<b>48,222</b>
At 30 September 2022	<b>9,813</b>	<b>37,194</b>	<b>872</b>	<b>1,547</b>	<b>49,426</b>

No value has been attributed to the leasehold land of the Hammerson House, Wohl Campus, site as lease covenants require its use as a residential care facility.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14. TANGIBLE FIXED ASSETS (CONTINUED)

	<b>Freehold Property</b>	<b>Leasehold Property</b>	<b>Plant</b>	<b>Furniture, Equipment and Vehicles</b>	<b>2023 Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Charity Cost</b>					
At 1 October 2022	45,372	41,145	1,866	3,607	<b>91,990</b>
Additions	527	36	134	498	<b>1,195</b>
Disposals	-	-	-	(54)	<b>(54)</b>
At 30 September 2023	<b>45,899</b>	<b>41,181</b>	<b>2,000</b>	<b>4,051</b>	<b>93,131</b>
<b>Depreciation</b>					
At 1 October 2022	35,559	1,749	959	2,059	<b>40,326</b>
Charge	685	1,068	82	507	<b>2,342</b>
Disposals	-	-	-	(54)	<b>(54)</b>
At 30 September 2023	<b>36,244</b>	<b>2,817</b>	<b>1,041</b>	<b>2,512</b>	<b>42,614</b>
<b>Net book values</b>					
At 30 September 2023	<b>9,655</b>	<b>38,364</b>	<b>959</b>	<b>1,539</b>	<b>50,517</b>
At 30 September 2022	<b>9,813</b>	<b>39,396</b>	<b>907</b>	<b>1,548</b>	<b>51,664</b>

### 15. FINANCIAL COMMITMENTS

At 30 September 2023, the charity had £4m financial commitment that had been authorised but not contracted for to refurbish Nightingale House (2022: £4m). It was agreed in January 2024 to increase this commitment to £6m. There was a financial commitment contracted for the refurbishment of Wohl Household totalling £2m but which had not been provided for (2022 – £nil).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS

	Investment Property	Listed Investments	2023 Total	2022 Total
Group	£'000	£'000	£'000	£'000
Market value at 1 October 2022	297	26,063	26,360	27,780
Additions at cost	-	5,008	5,008	5,670
Disposals at book value (proceeds:£9.49m with realised gain of £0.20m)	-	(9,288)	(9,288)	(5,457)
Net unrealised investment (losses)/gains	(46)	894	848	(1,633)
<b>Market value at 30 September 2023</b>	<b>251</b>	<b>22,677</b>	<b>22,928</b>	<b>26,360</b>
Cash awaiting investment	-	645	645	911
<b>Market value at 30 September 2023</b>	<b>251</b>	<b>23,322</b>	<b>23,573</b>	<b>27,271</b>
Cost of Investments at 30 September 2023	238	21,176	21,407	21,415

	Shares in subsidiary company	Investment Property	Listed Investments	2023 Total	2022 Total
Charity	£'000	£'000	£'000	£'000	£'000
Market value at 1 October 2022	1	297	26,063	26,361	27,781
Additions at cost	-	-	5,008	5,008	5,670
Disposals at book value (proceeds:£9.49m with realised gain of £0.20m)	-	-	(9,288)	(9,288)	(5,457)
Net unrealised investment (losses)/gains	-	(46)	894	848	(1,633)
<b>Market value at 30 September 2023</b>	<b>1</b>	<b>251</b>	<b>22,677</b>	<b>22,929</b>	<b>26,361</b>
Cash awaiting investment	-	-	645	645	911
<b>Market value at 30 September 2023</b>	<b>1</b>	<b>251</b>	<b>23,322</b>	<b>23,574</b>	<b>27,272</b>
Cost of Investments at 30 September 2023	1	238	21,176	21,407	21,415

#### Listed Investments

All listed investments are dealt in on a recognised stock exchange. Listed investments comprised the following:

	2023 Total	2023 Total	2022 Total	2022 Total
<b>Group and Charity</b>	%	£'000	%	£'000
Fixed Interest	18%	4,297	18%	4,855
Equities	67%	15,723	69%	18,612
Alternatives	10%	2,284	9%	2,428
Multi-assets funds	2%	373	2%	168
Cash Instalments and unit funds	3%	645	2%	911
	100%	23,322	100%	26,974

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS (CONTINUED)

At 30 September 2023, the following investment holding had a material value when compared to the market value of the total portfolio of listed investments at that date.

	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Group and Charity</b>	%	<b>£'000</b>	%	£'000
Vanguard S&P 500 UCITS ETF	5.8%	1,313	-	-
Vanguard FTSE All-World UCITS ETF	-	-	4.5%	1,273

#### Investment property

Investment property comprises of a long leasehold flat in a property situated in North London purchased by the charity during the year ended 30 September 2014. The directors of the corporate trustee have valued the property based upon information publicly available relating to similar properties in the same location.

#### Subsidiary Undertaking

At 30 September 2023, Nightingale Hammerson owned the entire called up share capital of the following company:

<b>Company</b>	<b>Country of incorporation</b>	<b>Principal activity during the year</b>
Chalkford Limited	England	Property development

### 17. DEBTORS

	<b>2023</b>		<b>2022</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Maintenance contributions	<b>2,369</b>	<b>2,369</b>	2,544	2,544
Amount due from subsidiary undertaking (Note 24)	-	<b>458</b>	-	592
Legacies receivable	<b>2,002</b>	<b>2,002</b>	80	80
Donations pledged	<b>334</b>	<b>334</b>	339	339
Other debtors	<b>142</b>	<b>141</b>	237	225
Prepayments	<b>509</b>	<b>508</b>	71	71
VAT debtor	<b>101</b>	<b>30</b>	43	28
	<b>5,457</b>	<b>5,842</b>	<b>3,314</b>	<b>3,879</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 18. CREDITORS – AMOUNT FALLING DUE WITHIN ONE YEAR

	2023		2022	
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Amounts held on behalf of residents	1,080	1,080	922	923
Maintenance contributions received in advance	413	413	397	397
Expense creditors	1,372	1,391	226	226
Capital Creditors	108	108	-	-
Social security and other taxation	257	257	291	246
Other creditors	75	75	39	51
Accruals	512	508	1,605	992
Amount due to subsidiary undertaking (Note 24)	-	218	-	1,233
	<b>3,817</b>	<b>4,050</b>	<b>3,480</b>	<b>4,068</b>

### 19. RESTRICTED FUNDS

The income funds of the group and charity include restricted funds comprising the following balances of donations and grants held on trusts to be applied for specific purposes:

	At 1	Income	Expenditure	Transfer	At 30
	October				September
	2022	£'000	£'000	£'000	2023
Group	£'000	£'000	£'000	£'000	£'000
Nightingale House Fixed Assets Fund	8,049	-	(540)	-	7,509
Nightingale House Capital Fund	600	-	-	-	600
Hammerson House Capital Fund	157	21	-	(108)	70
Weinberg Funds	3,310	65	-	-	3,375
Donations Special Purpose	404	151	-	(146)	409
Janet and Howard Bloch funds	233	-	-	-	233
Intergenerational fund	38	1	(8)	-	31
Infection control Grant	-	20	(20)	-	-
Other restricted funds	161	37	(2)	(8)	188
	<b>12,952</b>	<b>295</b>	<b>(570)</b>	<b>(262)</b>	<b>12,415</b>

The transfers between funds relate to releasing grant income for Hammerson House Capital fund and transferring staff costs from unrestricted funds to Donations Special Purpose for allocation against a restricted grant.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 19. RESTRICTED FUNDS (continued)

	At 1 October 2022	Income	Expenditure	Transfer	At 30 September 2023
<b>Charity</b>	£'000	£'000	£'000	£'000	£'000
Nightingale House Fixed Assets Fund	8,063	-	(540)	-	7,523
Nightingale House Capital Fund	600	-	-	-	600
Hammerson House Capital Fund	157	21	-	(108)	70
Weinberg Funds	3,310	65	-	-	3,375
Donations Special Purpose	404	151	-	(146)	409
Janet and Howard Bloch funds	232	-	-	-	232
Intergenerational fund	38	1	(8)	-	31
Infection control Grant	-	20	(20)	-	-
Other restricted funds	159	37	(2)	(8)	186
	<b>12,963</b>	<b>295</b>	<b>(570)</b>	<b>(262)</b>	<b>12,426</b>

#### **Nightingale House Fixed Assets Fund**

This fund comprises the net book value of buildings and equipment used for the operation of Nightingale House, purchased with restricted funds. Each year the depreciation on these assets is charged to the fund.

#### **Nightingale House Capital Fund**

This fund comprises monies donated specifically towards the construction and development of new building projects on the site of Nightingale House which are as yet unspent.

#### **Hammerson House Capital Fund**

This fund comprise donations pledged specifically for the redevelopment of Hammerson House and as yet unspent.

#### **Weinberg Funds**

These funds were donated by The Harry and Jeanette Weinberg Fund and are held for the purpose of substantially upgrading the charity's care homes for the elderly at both Nightingale House and Hammerson House.

#### **Donations Special Purpose**

These funds comprise donations received towards a specific purpose.

#### **Janet and Howard Bloch funds**

These funds comprise monies to be used to provide additional services for the residents, specifically in terms of activities, and the provision of training.

#### **Intergenerational Fund**

This comprises monies received specifically for operation of the intergenerational programme.

#### **Infection control Grant**

Government grant received to provide support with Covid-19 infection control costs

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 20. DESIGNATED FUNDS

The income funds of the group and charity include the following designated funds which have been set aside for major capital projects:

	At 1 October 2022	New designations and transfers	Utilised / released	At 30 September 2023
<b>Group</b>	£'000	£'000	£'000	£'000
Hammerson House building fund	-	131	(131)	-
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	<b>12,000</b>	131	(131)	<b>12,000</b>
Hammerson House tangible fixed assets fund	36,985	(22)	(1,445)	<b>35,518</b>
Nightingale House tangible fixed assets fund	4,391	1,160	(357)	<b>5,194</b>
	<b>53,376</b>	<b>1,269</b>	<b>(1,933)</b>	<b>52,712</b>

	At 1 October 2022	New designations and transfers	Utilised / released	At 30 September 2023
<b>Charity</b>	£'000	£'000	£'000	£'000
Hammerson House building fund	-	73	(73)	-
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	12,000	73	(73)	<b>12,000</b>
Hammerson House tangible fixed assets fund	38,839	36	(1,446)	<b>37,429</b>
Nightingale House tangible fixed assets fund	4,762	1,159	(356)	<b>5,565</b>
	<b>55,601</b>	<b>1,268</b>	<b>(1,875)</b>	<b>54,994</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 20. DESIGNATED FUNDS (CONTINUED)

#### *Hammerson House building fund*

This was fund set aside by the directors for the redevelopment of Hammerson House, Wohl Campus. This was duly allocated or released at the year-end given the completion of Hammerson House, Wohl Campus development

#### *Nightingale House building fund*

This comprises monies set aside by the directors to provide funds for redevelopment at Nightingale House.

#### *Maintenance fund*

This comprises monies set aside by the directors to provide funds for the ongoing building maintenance of our homes.

#### *Hammerson House tangible fixed assets fund*

This fund comprises the net book value of the fixed assets related to Hammerson House, used for the operation and designated. Every year, depreciation charges is allocated against this fund.

#### *Nightingale House tangible fixed assets fund*

The tangible fixed assets fund comprises the net book value of the charity's tangible fixed assets (excluding those accounted for the Nightingale House Fixed Assets Restricted Fund). A decision was made by the directors to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day to day work of the charity and group and hence the fund value would not be easily realisable if needed to meet future contingencies.

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<b>General funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>2023 Total</b>
<b>Group</b>	£'000	£'000	£'000	<b>£'000</b>
<b>Fund balances at 30 September 2023 are represented by:</b>				
Tangible fixed assets	-	40,713	7,509	<b>48,222</b>
Investments	20,198	-	3,375	<b>23,573</b>
Current assets	5,387	11,999	1,531	<b>18,917</b>
Current liabilities	(3,817)	-	-	<b>(3,817)</b>
Pension scheme asset	2,706	-	-	<b>2,706</b>
<b>Total net assets</b>	<b>24,474</b>	<b>52,712</b>	<b>12,415</b>	<b>89,601</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	General funds	Designated funds	Restricted funds	2023 Total
	£'000	£'000	£'000	£'000
<b>Charity</b>				
<b>Fund balances at 30 September 2023 are represented by:</b>				
Tangible fixed assets	-	42,995	7,522	<b>50,517</b>
Investments	20,199	-	3,375	<b>23,574</b>
Current assets	5,582	11,999	1,529	<b>19,110</b>
Current liabilities	(4,050)	-	-	<b>(4,050)</b>
Pension scheme asset	2,706	-	-	<b>2,706</b>
<b>Total net assets</b>	<b>24,437</b>	<b>54,994</b>	<b>12,426</b>	<b>91,857</b>

### 22. ANALYSIS OF UNREALISED GAINS / LOSSES

	General funds	Designated funds	Restricted funds	2023 Total
	£'000	£'000	£'000	£'000
<b>Group and Charity</b>				
Accumulated gains on listed investments	1,839	-	307	<b>2,146</b>
Accumulated gains on property	13	-	-	<b>13</b>
<b>Total</b>	<b>1,852</b>	<b>-</b>	<b>307</b>	<b>2,159</b>
Reconciliation of movements in unrealised gains (losses)				
Unrealised gains at 1 October 2022	5,154	-	702	<b>5,856</b>
Less: cumulative unrealised losses released from disposals	(3,891)	-	(654)	<b>(4,545)</b>
Add: Net unrealised gains on listed investments unrealised gains in year	723	-	125	<b>848</b>
Reallocation between funds in year	(134)	-	134	<b>-</b>
<b>Accumulated unrealised gains</b>	<b>1,852</b>	<b>-</b>	<b>307</b>	<b>2,159</b>

### 23. PENSION COMMITMENTS

Nightingale Hammerson operates a defined benefit scheme for certain former employees, providing benefits based on final pensionable pay. It also contributes to personal pension plans for current employees.

The defined benefit scheme is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 March 2020 and updated to 30 September 2023 by a qualified actuary and in line with FRS 102. The major assumptions used by the actuary are shown below.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

This most recent actuarial valuation showed a shortfall of £15,000 (2022: shortfall of £15,000). However, no additional contributions were required to correct the shortfall. This is because it was estimated that the Scheme was in surplus at the date of recovery plan. As there are no active members accruing benefits within the scheme, no further contributions are payable. The employer has agreed to meet all expenses of the scheme and levies to the Pension Protection Fund, other than investment management charges which are borne by the Scheme.

<b>Present values of defined benefit obligation, fair value of assets and defined benefit asset</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Fair value of plan assets	<b>5,073</b>	4,870
Present value of defined benefit obligation	<b>(2,367)</b>	(2,452)
Defined benefit asset at 30 September	<b>2,706</b>	2,418

<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Defined benefit obligation at start of period	<b>2,452</b>	3,591
Interest expense	<b>129</b>	70
Actuarial gains	<b>(89)</b>	(1,020)
Benefits paid	<b>(125)</b>	(189)
Defined benefit obligation at end of period	<b>2,367</b>	2,452

<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Fair value of plan assets at start of period	<b>4,870</b>	5,507
Interest income	<b>260</b>	108
Actuarial gains / (losses)	<b>71</b>	(556)
Benefits paid and expenses	<b>(128)</b>	(189)
Fair value of plan assets at end of period	<b>5,073</b>	4,870

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

The actual return on the plan assets over the period ended 30 September 2023 was £331k (2022: (£448k)).

	<b>At 30 September 2023 £'000</b>	<b>At 30 September 2022 £'000</b>
<b>Defined benefit costs recognised in other comprehensive income</b>		
(Losses)/gains on plan assets (excluding amounts included in net interest cost)	<b>71</b>	(556)
Experience (losses)/gains arising on plan liabilities	<b>(37)</b>	(103)
Gain resulting from changes in the demographic and financial assumptions underlying the present value of plan liabilities	<b>126</b>	1,123
Net interest income	<b>131</b>	38
Expenses	<b>(3)</b>	-
Total gain recognised in other comprehensive income	<b>288</b>	502
	<b>At 30 September 2023 £'000</b>	<b>At 30 September 2022 £'000</b>
<b>Assets</b>		
Cash and cash equivalents	<b>55</b>	(19)
Equity instruments	<b>3,010</b>	2,923
Debt instruments	<b>1,663</b>	1,544
Other	<b>345</b>	422
<b>Total Assets</b>	<b>5,073</b>	4,870

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

<b>Assumptions</b>	<b>At 30 September 2023 %</b>	<b>At 30 September 2022 %</b>
Discount Rate	<b>5.70</b>	5.40
Inflation (RPI)	<b>3.40</b>	3.80
The mortality assumptions adopted at 30 September 2022 imply the following life expectancies at age 65:	<b>2023</b>	<b>2022</b>
<hr/>		
<b>Retiring today / current pensioners</b>		
Males	<b>22.7</b>	22.4
Females	<b>23.8</b>	24.2
<b>Retiring in 20 years / future pensioners</b>		
Males	<b>24.0</b>	23.7
Females	<b>25.3</b>	25.6

The best estimate of contributions to be paid by the employer to the scheme for the period commencing 1 October 2023 is £nil (2022: £nil). Any expenses of the scheme, other than investment management costs, are expected to be met directly by the employer or reimbursed by the employer if paid by the scheme.

#### **Personal Pension Plans and auto enrolment Schemes**

The total pension cost in respect to personal pension plans and auto enrolment schemes for the year was £0.27m (2022 - £0.23m).

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

### **24. RELATED PARTY TRANSACTIONS**

#### **Chalkford Limited**

Chalkford Limited became a wholly owned subsidiary of Nightingale House on 2 March 2004 and continues as a wholly owned subsidiary of Nightingale Hammerson post-merger. Two directors of Nightingale Hammerson Trustee Company Limited, Daniel Dayan and Steven Sharpe are also directors of Chalkford Limited.

Chalkford Limited made charitable contributions of £58k to Nightingale Hammerson during the year to 30 September 2023 (2022 - £3k). At 30 September 2023 Chalkford Limited owed Nightingale Hammerson £0.4m (2022: £0.4m) in accordance with a loan facility and a further £58k (2022: £0.19m) being charitable contributions payable to Nightingale Hammerson in respect to the year ended 30 September 2023. At 30 September 2023, Nightingale Hammerson owed Chalkford Limited £218k (2022: £1.22m) under a contract for the construction of property.

#### **Trustees donations**

During the year the charity received donations totalling £179,608 from 7 of the charity's Trustees and organisations to which they are connected (2022 - £128,103 from 13 trustees and connected organisations). In addition, £32,750 (2022 - £145,000) was received from the President and Vice President and organisations to which they are connected.

### **25. POST BALANCE SHEET EVENTS**

There were no post balance sheet events to report (2022: none).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS

#### Consolidated Statement of Financial Activities

	Note	Unrestricted Funds			2022
		General Fund	Designated Fund	Restricted Fund	Total Funds
		£'000	£'000	£'000	£'000
<b>Income from:</b>					
Donations and legacies					
Revenue purposes	2	2,729	-	184	<b>2,913</b>
Capital purposes	2	-	-	196	<b>196</b>
Investments and short term deposits	3	333	-	48	<b>381</b>
Charitable activities					
Provision of residential and nursing care	4	14,771	-	-	<b>14,771</b>
Government's infection control and furlough grants		-	-	396	<b>396</b>
Surplus on disposal of tangible fixed assets		846	-	-	<b>846</b>
Other sources		106	-	-	<b>106</b>
<b>Total Income</b>		<b>18,785</b>	<b>-</b>	<b>824</b>	<b>19,609</b>
<b>Expenditure on:</b>					
Raising funds					
Generating donations and legacies	5	508	-	-	<b>508</b>
Investment management costs		170	-	-	<b>170</b>
Charitable activities					
Provision of residential and nursing care	6	18,074	1,844	1,137	<b>21,055</b>
Taxation	13	46	-	-	<b>46</b>
<b>Total expenditure</b>		<b>18,798</b>	<b>1,844</b>	<b>1,137</b>	<b>21,779</b>
Net (expenditure) for the year before transfers and gains/(losses) on investments		<b>(13)</b>	<b>(1,844)</b>	<b>(313)</b>	<b>(2,170)</b>
Transfers between funds		1,743	(111)	(1,632)	-
Gains/(losses) on investments					
Realised gains on disposal of investments		272	-	-	<b>272</b>
Unrealised (losses) on investments	16	(1,633)	-	-	<b>(1,633)</b>
<b>Net (expenditure) income for the year</b>		<b>369</b>	<b>(1,955)</b>	<b>(1,945)</b>	<b>(3,531)</b>
<b>Other recognised gains and losses</b>					
Actuarial gains on pension scheme		502	-	-	<b>502</b>
<b>Net movement in funds</b>		<b>871</b>	<b>(1,955)</b>	<b>(1,945)</b>	<b>(3,029)</b>
Funds brought forward at 1 October 2021		22,973	55,324	14,897	<b>93,194</b>
<b>Funds carried forward 30 September 2022</b>	21	<b>23,844</b>	<b>53,369</b>	<b>12,952</b>	<b>90,165</b>

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

**26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)**

**Charity Statement of Financial Activities**

		<u>Unrestricted Funds</u>			<b>2022</b>
		<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
		<b>Fund</b>	<b>Fund</b>	<b>Fund</b>	<b>Funds</b>
Note		£'000	£'000	£'000	£'000
<b>Income from:</b>					
Donations and legacies					
	Revenue purposes	2,678	-	184	<b>2,862</b>
	Capital purposes	-	-	196	<b>196</b>
	Investments and short term deposits	333	-	48	<b>381</b>
Charitable activities					
	Provision of residential and nursing care	14,771	-	-	<b>14,771</b>
	Government's infection control and furlough grants	-	-	396	<b>396</b>
	Surplus on disposal of tangible fixed assets	846	-	-	<b>846</b>
	Other sources	99	-	-	<b>99</b>
	<b>Total Income</b>	<b>18,727</b>	<b>-</b>	<b>824</b>	<b>19,551</b>
<b>Expenditure on:</b>					
Raising funds					
	Generating donations and legacies	508	-	-	<b>508</b>
	Investment management costs	170	-	-	<b>170</b>
Charitable activities					
	Provision of residential and nursing care	18,074	1,844	1,137	<b>21,055</b>
	<b>Total expenditure</b>	<b>18,752</b>	<b>1,844</b>	<b>1,137</b>	<b>21,733</b>
	Net (expenditure) for the year before transfers and gains/(losses) on investments	<b>(25)</b>	<b>(1,844)</b>	<b>(313)</b>	<b>(2,182)</b>
	Transfers between funds	1,733	(101)	(1,632)	-
Gains/(losses) on investments					
	Realised gains on disposal of investments	272	-	-	<b>272</b>
	Unrealised (losses) on listed investments	(1,633)	-	-	<b>(1,633)</b>
	<b>Net (expenditure) income for the year</b>	<b>347</b>	<b>(1,945)</b>	<b>(1,945)</b>	<b>(3,543)</b>
<b>Other recognised gains and losses</b>					
	Actuarial gains on pension scheme	502	-	-	<b>502</b>
	<b>Net movement in funds</b>	<b>849</b>	<b>(1,945)</b>	<b>(1,945)</b>	<b>(3,041)</b>
	Funds brought forward at 1 October 2021	22,951	57,546	14,908	<b>95,405</b>
	<b>Funds carried forward 30 September 2022</b>	<b>23,800</b>	<b>55,601</b>	<b>12,963</b>	<b>92,364</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### Income from donations and legacies

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>
	£'000	£'000	£'000
Donations:			
Revenue donations	1,704	184	<b>1,888</b>
Hammerson House capital fund	-	196	<b>196</b>
Legacies			
Revenue donations	1,025	-	<b>1,025</b>
<b>2022 Total Funds</b>	<b>2,729</b>	<b>380</b>	<b>3,109</b>
2021 Total Fund	2,104	1,849	3,953

<b>Charity</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>
	£'000	£'000	£'000
Donations:			
Revenue donations	1,653	184	<b>1,837</b>
Hammerson House capital fund	-	196	<b>196</b>
Legacies			
Revenue donations	1,025	-	<b>1,025</b>
<b>2022 Total Funds</b>	<b>2,678</b>	<b>380</b>	<b>3,058</b>
2021 Total Fund	2,346	1,849	4,195

#### Income from investments

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>
	£'000	£'000	£'000
Income from listed investments by fund manager			
Investment Income Veritas	98	-	<b>98</b>
Investment Income Schroders	142	48	<b>190</b>
	240	48	<b>288</b>
Rental income	8	-	<b>8</b>
Interest receivable	85	-	<b>85</b>
<b>2022 Total Funds</b>	<b>333</b>	<b>48</b>	<b>381</b>
2021 Total Fund	290	44	334

<b>Charity</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>
	£'000	£'000	£'000
Income from listed investments by fund manager			
Investment Income Veritas	98	-	<b>98</b>
Investment Income Schroders	142	48	<b>190</b>
	240	48	<b>288</b>
Rental income	8	-	<b>8</b>
Interest receivable	85	-	<b>85</b>
<b>2022 Total Funds</b>	<b>333</b>	<b>48</b>	<b>381</b>
2021 Total Fund	295	44	339

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

**26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)**

**INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING**

	General Fund	Restricted Fund	2022 Total Funds
<b>Group and charity</b>	£'000	£'000	£'000
Maintenance contributions receivable	14,771	-	14,771
<b>Total maintenance contributions receivable</b>	<b>14,771</b>	<b>-</b>	<b>14,771</b>

**EXPENDITURE ON GENERATING DONATIONS AND LEGACIES**

	General Fund	Designated Fund	Restricted Fund	2022 Total Funds
<b>Group and Charity</b>	£'000	£'000	£'000	£'000
Staff costs	227	-	-	227
Fundraising, legacy and appeal expenses	249	-	-	249
Support costs	32	-	-	32
<b>2022 Total Funds</b>	<b>508</b>	<b>-</b>	<b>-</b>	<b>508</b>

**Expenditure on provision of residential and nursing care**

	General Fund	Designated Fund	Restricted Fund	2022 Total Funds
<b>Group</b>	£'000	£'000	£'000	£'000
Staff costs	10,919	-	405	11,324
Catering and food	1,776	-	-	1,776
Premises day to day costs	2,257	-	-	2,256
Medical, care and welfare costs	817	-	50	867
Support costs	2,305	-	-	2,305
Depreciation	-	1,844	682	2,526
<b>2022 Total Funds</b>	<b>18,074</b>	<b>1,844</b>	<b>1,137</b>	<b>21,055</b>

	General Fund	Designated Fund	Restricted Fund	2022 Total Funds
<b>Charity</b>	£'000	£'000	£'000	£'000
Staff costs	10,919	-	405	11,324
Catering and food	1,776	-	-	1,776
Premises day to day costs	2,257	-	-	2,256
Medical, care and welfare costs	817	-	50	867
Support costs	2,305	-	-	2,305
Depreciation	-	1,844	682	2,526
<b>2022 Total Funds</b>	<b>18,074</b>	<b>1,844</b>	<b>1,137</b>	<b>21,055</b>



**NIGHTINGALE HAMMERSON**

England & Wales - Charity number 207316

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# Accounts

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**Nightingale Hammerson**  
**Annual Report and Financial Statements**

30 September 2022

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## **CONTENTS**

### **Reports**

Reference and administrative information	4
Professional advisors	5
Chairman's report	6
Report of the directors of the corporate trustee	8
Independent auditor's report	28

### **Accounts**

Consolidated statement of financial activities	32
Charity statement of financial activities	33
Balance sheet	34
Consolidated statement of cash flow	35
Notes to the financial statements	36

<b>Registered Name</b>	Nightingale Hammerson
<b>Registered Charity Number</b>	207316 governed by a scheme made by the Charity Commission on 30 March 2012
<b>Principal office</b>	105 Nightingale Lane London SW12 8NB
<b>Telephone</b>	020 8673 3495
<b>Facsimile</b>	020 8675 2258
<b>Website</b>	<a href="http://www.nightingalehammerson.org">www.nightingalehammerson.org</a>
<b>Life Patron</b>	Dame Vivien Duffield DBE
<b>President</b>	Harvey Rosenblatt
<b>Vice Presidents</b>	Patricia Beecham Susan Grant (from 1 April 2022)
<b>Corporate Trustee</b>	Nightingale Hammerson Trustee Company Limited
<b>Non-Executive Directors and Board Members:</b>	
<b>Chairman</b>	Melvin Lawson (until 1 February 2023) Joanne Black Co-Chair (from 1 February 2023) Paul Althasen Co-Chair (from 1 February 2023)
<b>Honorary Treasurers</b>	David Winton (Retired 31 March 2022) John Reizenstein (Retired 1 June 2023) Paul Althasen (from 1 April 2022)
<b>Other directors</b>	Carolyn Balcombe Colin Green (Retired 31 March 2022) Daniel Dayan Gill Livingston (Appointed 17 February 2022) Harvey Rosenblatt (Retired 31 March 2022) Jacqueline Morris (Retired 16 December 2021) Joanne Black Keith Barnett Melvin Lawson Paul Althasen Rosalind Taylor Susan Grant (Retired 31 March 2022) Steven Sharpe (Appointed 28 July 2022)

## REFERENCE AND ADMINISTRATIVE INFORMATION

### Senior Leadership Team:

<b>Chief Executive Officer</b>	Helen Simmons (to 31 May 2022) Jenny Pattinson (from 1 July 2022)
<b>Director of Finance, Property and ICT</b>	Abiola Yusuf (to 4 December 2022)
<b>Director of Finance</b>	Chelsea Bassom (from 1 February 2023)
<b>Director of Care</b>	Nuno Santos Lopes (to 27 June 2023)
<b>Director of People</b>	Kevin Noble (to 16 June 2023)
<b>Director of Hospitality and Operations</b>	Florian Jourdhier (to 31 December 2022)
<b>Director of Operations</b>	Ed Davidson (from 13 June 2023)

## PROFESSIONAL ADVISORS

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Principal bankers** National Westminster Bank plc  
98 Wandsworth High Street  
London  
SW18 4ZD

**Investment managers** Veritas Investment Management LLP  
90 Long Acre  
London  
WC2E 9RA

Cazenove Capital  
1 London Wall Place  
London  
EC2Y 5AU

**Solicitors** Bircham Dyson Bell LLP  
50 Broadway  
London  
SW1H 0BL

## CHAIRMAN'S REPORT

It has been an incredibly successful twelve months at Nightingale Hammerson, and we would like to provide an update on changes to our leadership structure, recognise both those who are joining and leaving our organisation and lastly share our achievements to date and our future plans.

Firstly with regards to our leadership structure. In February 2023, Paul and myself were appointed Co-Chairs of Nightingale Hammerson and it is a great honour and privilege for both of us to serve an organisation with such a deep-rooted legacy. Paul and I plan to use our complementary skills for the benefit of our residents, their families and the community. We took over the role from Melvin Lawson who we cannot thank enough for his dedication and commitment; Melvin will remain on the board as a trustee and will serve on several key committees where his advice will be invaluable.

There have been other changes on the board. We thank Colin Green, David Winton, Susan Grant and John Reizenstein who step down after many years of service; their dedication, advice and hard work has been exemplary. Susan remains within the organisation as Vice President, David remains within our expert committee structure and Harvey Rosenblatt continues to serve as our dynamic President. We have been fortunate indeed to have retained so much experience within our organisational structures. We also welcome Ian Grabiner and Steven Sharpe who join the board as new trustees and we are about to Russell Nathan as our Treasurer.

In July 2022, we welcomed our new Chief Executive, Jenny Pattinson who has made a huge impression on our charity both with residents and staff teams. Jenny led our new Values Campaign, instilling their importance within our teams from board level to staff level, while also spending considerable time listening to our residents and their families to identify key issues. Jenny has been instrumental in managing our business, and has reviewed salaries, afforded bonuses and instigated staff appreciation awards where appropriate across the organisation.

In terms of our achievements, it has been another busy year for Nightingale Hammerson and we should be proud to celebrate some major milestones. We have almost doubled our resident numbers - meeting our goal of 250+ residents - while remaining able to maintain an excellent level of service and care throughout our campuses. Feedback from residents and their families has been exemplary throughout and it would be remiss if we did not thank and recognise the dedication and commitment from our Staff Teams, our Senior Leadership Teams and our Heads of Department who now stand over 500 strong and have made these incredible feats possible across both of our houses.

We are delighted that Nightingale House has again been awarded CQC Outstanding status for a second time. This is testament to Jenny, our CEO and Nuno, our Director of Care who, together with our Staff Teams, were able to demonstrate outstanding care practice, with exceptional leadership. Hammerson House's first CQC inspection was rated Good, which is an excellent rating for a newly opened Home. Thank you to everyone who played their part in these achievements.

The Apples & Honey Nightingale Nursery at Nightingale House was also awarded an Outstanding rating by Ofsted. Our Residents benefit enormously from the interaction with young children and, as pioneers of the first Intergenerational Programme in the UK, we are hugely proud of its success. We are currently in the process of delivering an Intergenerational Programme at Hammerson House, working towards the proven success of Intergenerational Care at Nightingale House.

Looking ahead, we recognise our Care Teams are at the forefront in best care practice and are supported with career development and we look forward to prioritising this pillar of our future growth. Innovation, learning, and education are core to our ethos, enhanced through partnerships with

## **CHAIRMAN'S REPORT (Continued)**

leading researchers and social care experts and we were delighted to be hosting our second Care Home Research Forum at Hammerson House later this year.

Our Multidisciplinary Care Teams are a beacon of outstanding care and this year we have added Speech Therapy to our care offering. Our Therapies Team (Physiotherapists, Occupational Therapists, Moving & Handling, Dietitian and Support Staff) means we are the only Care Home to have a comprehensive in-house Multidisciplinary Team and we look forward to continuing to push for innovation on the front lines of care.

From Paul and myself, our mission remains to ensure that we continue to offer outstanding care, a welcoming Jewish Home, and a safe environment for our Residents. We have every confidence that we will build on the success of Nightingale Hammerson.

Joanne Black and Paul Althesen

Co-Chairs

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE

The directors of the corporate trustee of Nightingale Hammerson (herein referred to as ‘directors’ or ‘trustees’), who act as the Trustee Board of the Charity, present the statutory report and accounts for the year ended 30 September 2022. These accounts have been prepared in accordance with the accounting policies set out on pages 35-40 and comply with the charity’s governing document, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

### Our Corporate Structure

Nightingale Hammerson’s corporate structure comprises two active entities, both ultimately controlled by the directors of Nightingale Hammerson and included in the consolidated accounts. These are:

- Nightingale Hammerson, a registered charity, providing residential and nursing home facilities at two London sites, Nightingale House, in Clapham, and Hammerson House Wohl Campus, in Hampstead Garden Suburb; and
- Chalkford Limited, a company registered in England and Wales, whose business is property construction.

The Charity also had two dormant entities namely, Camden Jewish Society, which was dissolved on 27 September 2022 and The Friends of Nightingale House.

### Our Charitable Purpose

Nightingale Hammerson exists to be a leading provider of quality relationship-centred care for older Jewish people. We provide residential, dementia, nursing and palliative care services and treat all our residents with respect and dignity.

Our aim is to provide holistic care and support in a safe and stimulating environment using dedicated and trained staff and volunteers. We do this through the operation of two residential and nursing care homes – Nightingale House, in Clapham, and Hammerson House, Wohl Campus, in Hampstead Garden Suburb.

Nightingale House traces its origins back to 1840 in the East End of London. It moved to its current site in Clapham in the early 1900s and has continued to deliver excellent care. Nightingale House was purpose-built to serve residents with residential, dementia, nursing and palliative care needs, either on a permanent basis or respite. During the previous financial year, the directors agreed a refurbishment budget, to modernise the home and implement some energy efficiency measures in the facility. This project is ongoing with work starting in 2022/23.

Nightingale House currently has 5 active households with the following maximum bed capacity:

Households	Dedicated Service	Maximum Bed Capacity
Wine	Residential	45
Sherman	Residential Dementia	45
Osha	Residential	15
Wohl	Nursing Dementia	40
Ronson	Nursing / Palliative Needs	26
<b>Total</b>		<b>171</b>

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

Hammerson House was established some 55 years ago, thanks to an exceptional gift from Mrs Sue Hammerson CBE in memory of her late husband Lewis W Hammerson. For many years it was primarily a residential home although offering some nursing beds and sheltered housing. It was closed for redevelopment in 2017 and re-opened in 2021. Hammerson House, Wohl Campus, will provide care to those with residential, dementia, nursing and palliative care needs. Hammerson House, Wohl Campus, has 6 households with the following maximum bed capacity:

Households	Dedicated Service	Maximum Bed Capacity
Isaac Wolfson	Residential	18
Edith Wolfson	Residential	20
Audrey	Residential Dementia	18
Pat	Residential Dementia / Nursing Dementia	20
Wigoder	Nursing Dementia	20
Ronson	Nursing / Palliative Care Needs	20
<b>Total</b>		<b>116</b>

### Our Vision

Our vision is to be an internationally recognised centre of care, excellence and innovation; a jewel in the crown of the Jewish community.

### Our Mission

Our mission is to be the leading organisation recognised for providing the best relationship-centred care in the UK and to share what we know with key stakeholders.

### Our Values

Our values are Compassion, Respect, Excellence, Dignity, Integrity and Teamwork.

### Our Statement of Public Benefit

In setting the aims of the charity, the directors have had regard to the guidance published by the Charity Commission in respect to the provision of public benefit by charities. Nightingale Hammerson is committed to providing the quality level of care to all older Jewish people in need, regardless of their personal financial status. A substantial proportion of residents are in receipt of local authority or other government funding and the Charity raises funds from its donors and benefactors in order to meet the ever-growing shortfall between government funding and the costs of quality care provision.

### Our Trustees

The directors of the corporate trustee act as the Trustee Board of the Charity and their names are as set out on Page 3 with brief autobiographies at the end of this report. The Trustee Board meets formally at least five times a year. Between meetings, directors engage with the Charity, its volunteers and staff in many and varied ways, such as providing guidance on projects, raising funds, serving formally on committees or supporting new initiatives. Directors are appointed via proposal to the Nominations and Governance Committee and serve 3-yearly terms up to a maximum of 10 years (the first year of service is deemed an induction year).

No director received any remuneration or expenses from the Charity during the year.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Committees**

The Charities committee structure is set up to ensure it can adapt and adequately respond to the evolving challenges facing the charity and the adult social care sector, as a whole.

The main committees of the Board are:

- **Nominations Committee:** Provides guidance on governance, lead on the recruitment of new directors (or trustees), reviews terms of office, and leads on directors' induction, appraisal and training.
- **Finance Committee:** Oversees all financial matters including the financial risk register, budget setting financial performance and financial planning.
- **Resident Experience & Assurance Group:** Oversees service and quality assurance as well as volunteer and events programmes.
- **Audit and Risk Committee:** Oversees the organisational risk assurance framework. It is also responsible for ensuring that the Board is apprised of the principal risks and plans are put in place to mitigate those risks.
- **Nightingale House Working Group:** This committee oversees the major refurbishment project for Nightingale House.
- **Investment Committee:** Oversees the investment portfolio and provides instruction to the investment managers in line with the charity's investment policy.
- **Operations and Efficiencies Committee:** Responsible for overseeing the performance of specific departments to ensure the resources are used to support and deliver the strategic aims of the Charity, while ensuring sustainability and championing best practice.
- **Fundraising & Marketing Committee:** Oversees the planning and implementation of fundraising plans, marketing materials and communications externally to boost voluntary donations and capital fundraising income.

In addition to the above, there are other groups set up to provide additional support to the main committees. These are the Fee Subsidy Group, Major Donor Group, Relationship Centred Care Group, Education & Development Group and the Care Risk / Safeguarding Group. The Board of Trustees may also on occasion, set up a task and finish group to provide support to the executive team and oversee the delivery of specific tasks, over a specific period of time.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Our Committees (continued)

Directors, who served during the year, also served on the various committees of the Board as set out below. Every committee and group is supported by lay leaders who are also members of the committees and contribute a wealth of experience and expertise to their respective committees and / or groups.

	NOMS	FINANCE	RES EXP & ASS	AUDIT	NH STRATEGY	INVESTMENT	OPS & EFF	FUND-RAISING
CAROLYN			✓	✓				✓
DANIEL	✓	✓					✓	
GILL								
IAN		✓					✓	✓
JOANNE	✓		✓		✓			✓
JOHN								
KEITH	✓			✓				
MELVIN	✓	✓			✓	✓		✓
PAUL	✓	✓			✓	✓	✓	
ROSALIND			✓	✓				
STEVEN					✓		✓	

### Our People

This year, we had an average of 401 staff, across both homes. Recruitment and retention were particularly challenging this year given the continued opening of Hammerson House and a shortage of care staff in this country. Whilst we are grateful that we can draw from our pool of ever-supportive volunteers, the senior leadership team developed a renewed approach to pay packages and increased the retention benefits. We continue to explore innovative ways of attracting and retaining talents including enhancing our learning and development programme, offering flexible shifts and seizing opportunities for overseas recruitment.

### Our Volunteers

During 2022 we benefited from a significant increase in the number of volunteers in Nightingale Hammerson. Hammerson House had 48 volunteers who at times outnumbered residents. Nightingale House had a team of 62 volunteers, both established and 14 new volunteers. Overall we had 110 active volunteers in 2022 who made a substantial impact on the wellbeing of our residents. It's worth noting an increase of young volunteers with the recruitment of 9 volunteers aged 16-30.

The communities near both our care homes remain dedicated and commitment to enhance the lives of our residents.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Volunteers (continued)**

We nominated two of our volunteers for the JVN young volunteer of the year (Lena Sakure) and volunteer of the year award (Jenny Strauss). We were delighted that both volunteers were recognised for their huge volunteering contribution along with many other volunteers from Jewish charities.

2022 was a successful year for volunteering with a strong foundation and continued growth to meet the diverse needs of our residents.

### **Remuneration of Our Senior Team**

Our Senior Leadership Team (SLT) form the key management personnel of the charity and are responsible for the charity's affairs on a day to day basis. Remuneration is benchmarked and set with reference to current market conditions so to ensure that the charity can recruit and retain high calibre staff. Annual pay reviews are approved by the Finance Committee.

### **Employment Policy**

We strive to be an equal opportunity employer and apply objective criteria to assess merit. We aim to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability. Selection criteria and procedures are reviewed to ensure individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate, special training to enable them to progress. Volunteers are coordinated by the Volunteer Development Manager, with recruitment, management, training and supervision policies in place.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Achievements**

#### **Maintained Outstanding Care at Nightingale House**

In September 2022 we had a full CQC inspection at Nightingale House. A Team of inspectors did physical checks for 3 days across all the departments of the home and spoke with residents, relatives, team members and volunteers, assessed documentation and spoke with external stakeholders. The outcome couldn't have been better. We sustained our Outstanding status. We are very proud of it and more when we have been the only care home for older adults rated Outstanding in London since 2020.

#### **Hammerson House**

We have consolidated the team and numbers of residents at Hammerson House, ending the financial year with 58% of our occupancy. As at the time of signing the accounts (July 2023), all 6 Households are open and occupancy is at 79%. We provide residential, residential dementia and nursing dementia at Hammerson House. We now offer all the levels of care any resident can get in a Care Home for older people.

In March 2022, one year after opening we were visited by a team of inspectors. This was the first CQC inspection since opening. Inspectors stayed in the home for one day and the outcome of the inspection was Good in all the key lines of enquiry, which is an achievement as very few care homes achieve a Good rating in all the key lines of enquiry within 1 year of opening.

#### **Shared Insights through Research**

We have been engaging with several universities and researchers and being the field for several research studies. Over the past year we were involved in 14 different research studies and engaging with the National Institute for Health and Care Research. Nightingale Hammerson is seen as a pioneer in the way we welcome researchers within our homes. Because of that we have been invited to participate in conferences and events where we share with researcher how to engage with social care providers for research. The first Care Home Research Forum was a success and a second event is happening in November 2022. This brings together researchers, residents, relatives, care home professionals, local authorities and CQC into one place to discuss about the future of research in care homes.

#### **Education**

For the second year we have been endorsed by Skills for Care for the educational programmes we deliver. This recognises the quality of the education but also highlights how serious we take education within our organisation. We have started to open our educational programmes to external professionals and will be assessing whether this can expand as a business model.

#### **Covid-19**

As we are having an approach of living with Covid-19, Nightingale Hammerson has been a pioneer and shared good practice internationally about how to safely and effectively manage Covid-19. We have been the first care home in the world not to require staff and visitors to wear a mask while keeping our community safe. Government followed our policy 9 months later. Our resident centred approach has been shared with many providers in England but also internationally and with government bodies.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Achievements (continued)**

#### **Therapies**

We have reviewed our therapies provision to best support the health outcomes for our residents. Our physiotherapists, occupational therapists and moving, therapies assistants and handling advisor are now able to provide more one to one sessions for our residents, which also translates into a new form of income for the charity through our private therapies model. We will be increasing our multidisciplinary therapies team by hiring a clinical psychologist and a speech and language therapist.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Plans**

We have been providing exceptional care for over 180 years, yet we hear time and time again from members of the Jewish Community that we are a 'Hidden Jewel' in the crown of the community when it comes to care. Nightingale House is the only Jewish Home for older people in the UK to be classified 'Outstanding' by the CQC. We therefore want to build on our strengths and successes whilst improving on our weaknesses. We also want to seek opportunities to intentionally remain the centre of excellent care. Our strategic priorities, as approved by the Board, are as follows:

#### **1. We will extend our exceptional care**

- By recruiting and retaining exceptional staff and volunteer teams at Hammerson House, Wohl Campus, to deliver care to Nightingale Hammerson's high standards
- By developing a Customer Service Strategy across the organization.
- By developing a model to support the wider Jewish Community to access our facilities, skills and expertise

#### **2. We will embed Continuous Improvement & Share Expertise globally**

- By further embedding our Care Home Education Centre across both sites and to the wider Care community
- By linking with academic researchers to support continual improvement and learning
- By developing a passionate and inspiring Communications Strategy.

#### **3. We will be the exemplar for Relationship-Centred Care (RCC)**

- By further embedding an education programme for RCC both internally and externally
- By listening and responding to what matters most to the 4 key relationship groups - residents, staff, families & volunteers
- By practicing what we preach every day

#### **4. We will generate the greatest impact for our residents from our resources**

- By setting a fundraising strategy to increase donations (including a legacy campaign)
- By setting a marketing strategy to increase resident numbers
- To ensure we are working efficiently operationally and get the best value for money from our suppliers and contractors

#### **5. We will expand our Innovation programme including the reach of our intergenerational work and use of technology**

- By expanding our intergenerational work to include more age groups and developing an education programme for Intergenerational work
- By working with innovative external partners
- By participating in successful research projects and investing in their implementation in our homes.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Plans**

#### **6. We will be a first class employer**

- By implementing a new people strategy that includes - wellbeing and enhanced staff engagement, pay and reward benchmarking, literacy and technology support, diversity and inclusion
- By striving to achieve Investors in People Gold Award
- By defining career paths for all staff team members including through our own development programme.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Financial Review

This review focuses on the year ended 30 September 2022. It remained a challenging year for us with the ongoing impact of the pandemic and increased running costs on the community we serve, our operations and our supporters. At the end of the year, our total income from our charitable activities was £14.8m, an increase of £4.4m from the previous year. This is due to the re-opening of Hammerson House, Wohl Campus in May 2021, which compensated for the decrease in resident numbers at Nightingale House. At the year end, we had 114 residents at Nightingale House and 67 at Hammerson House, Wohl Campus, a decrease of 7 and increase of 24 respectively.

As expected, the opening of Hammerson House, Wohl Campus resulted in our operational costs, including staffing costs, catering and accommodation costs increasing. Staff costs account for 60% of our total operational expenditure (2021: 61%), with our staff continuing to be at the centre of all we do and achieve. Our average staff number increased from 346 last year to 402. The majority of the increase was to support direct care provision and frontline services, for which recruitment continues to take place. Our vision continues to be extending exceptional care services to Hammerson House, Wohl Campus, and delivering personalised Relationship Centred Care across both homes. To maximise resources, we adopted a cross-site working policy for some administrative staff and the SLT.

Our net expenditure before transfers and gains at the end of the year was £2.17m (2021: £0.47m). This was to be expected given it was the first full year of opening our second care home. We received £0.4m (2021: £0.6m) in government grants to mitigate the increased cost of infection control across both homes and to support payment to staff isolating in line with HMRC Coronavirus Job Retention Scheme. Fundraising generated £3.1m in donations and legacies (2021: £2.3m) at a cost of £0.5m (2021: £0.4m), means that for every pound spent we raised £6.12 (2021: £5.72).

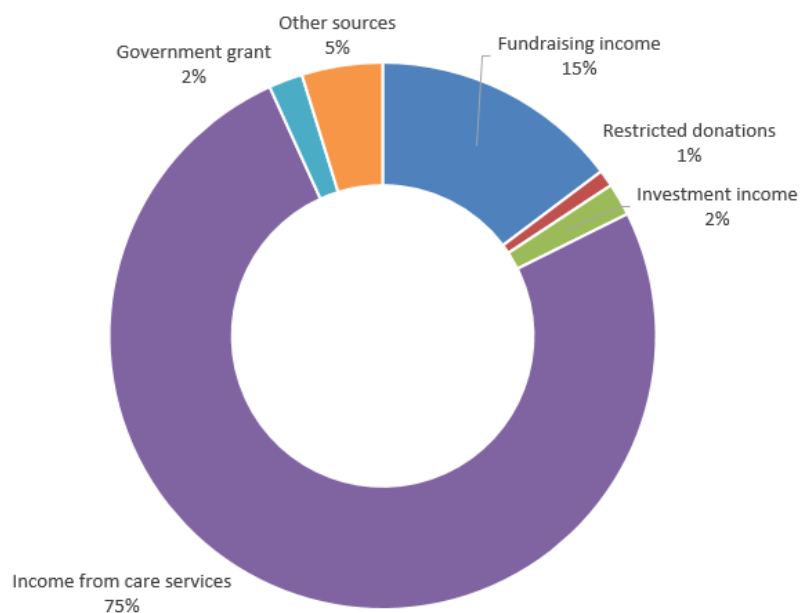
	<b>2022</b>	2021
	<b>£m</b>	£m
Income from care provision	<b>14.8</b>	10.4
Cost of care provision including depreciation	<b>(21.1)</b>	(15.6)
Government related infection control and furlough grants	<b>0.4</b>	0.6
Other operating income	<b>0.1</b>	0.4
<b>Operating deficit</b>	<b>(5.8)</b>	(4.2)
Net revenue fundraising income (excluding legacies)	<b>1.4</b>	1.0
Legacies	<b>1.0</b>	0.9
Net income from investments	<b>0.2</b>	0.2
Profit on disposal of fixed assets	<b>0.8</b>	-
<b>Deficit before investment gains and capital fundraising</b>	<b>(2.4)</b>	(2.1)
Capital donations for Hammerson House, WOHL Campus	0.2	1.7
Realised gains from investments	0.3	0.3
Unrealised gains/ (losses) from investments	(1.6)	3.1
Actuarial gains from pension scheme	0.5	0.8

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

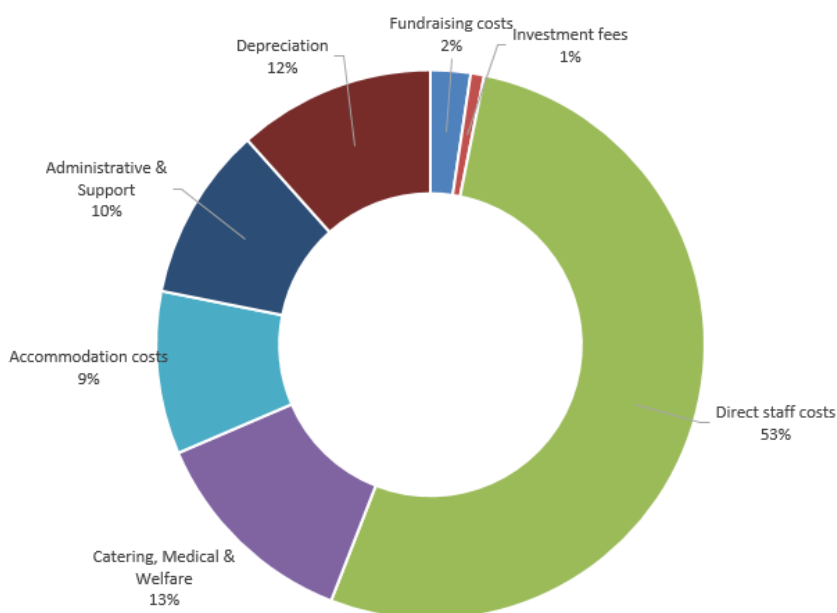
### Financial Review (continued)

We sold the Belmont Lodge property on 1<sup>st</sup> November 2021. This generated a profit of £0.8m. The deficit before investment gains and capital fundraising remained at a similar level, £2.4m compared to £2.1m in 2021. Capital donations for Hammerson House, Wohl Campus slowed down during 2021/22, as expected, reducing from £1.7m to £0.2m. There was a significant unrealised loss on investments from both fund managers, totalling £1.6m.

#### *Where our income came from*



#### *Where the money was spent*



## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

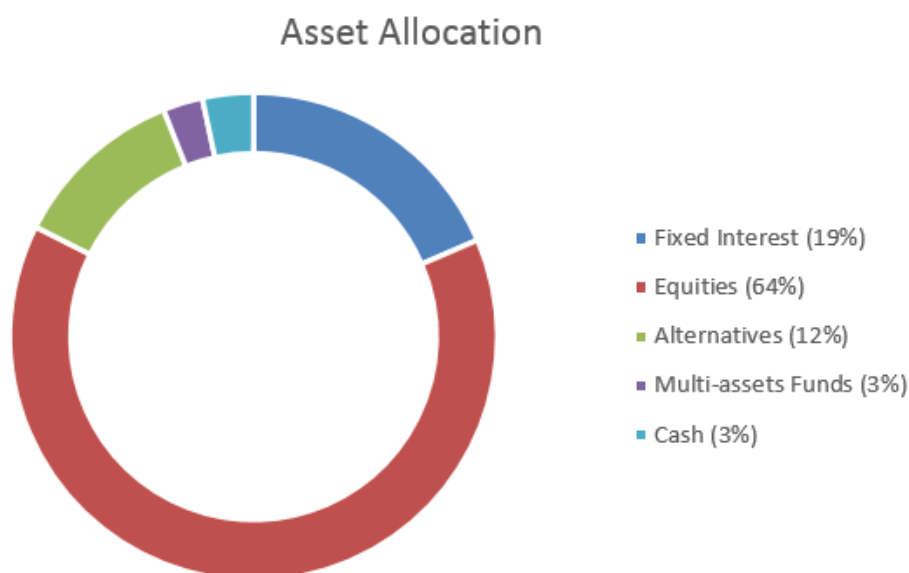
### Investment Policy and Performance

It was a very turbulent year for the charity's investments. Realised gains and unrealised losses on investments totalled a loss of £1.4m (2021: gains of £3.4m). Income realised from investment remained low at £0.3m, with low interest rates on cash deposits.

As part of maintaining good financial stewardship of the charity's resources, the directors appoint two fund managers to manage the investment portfolio. The Board sets the investment mandate which is targeted at achieving total or real returns on a rolling 5 year period with an emphasis on capital growth. The Board's risk appetite is set as medium risk, in line with the Asset Risk Consultants (ARC) Group indices. The fund managers have full discretion to invest the charity's funds according to the investment mandate and the set target of attaining (or outperforming) UK CPI +3%, net of all fees. The Investment Committee receives periodic updates from both fund managers and provides an update on performance at every Trustee Board meeting.

There have been challenging economic, market and geopolitical factors which have had a negative impact in 2022 on equity and bond markets, in particular, inflation, rising interest rates, the war in Ukraine and further lockdowns in China. Neither fund manager made material changes to the portfolios and both saw the benefits of having added to commodities exposure early in the year. As at 30 September 2022, the investment in Vanguard FTSE All World ETF was the single largest holding in the portfolio, representing 4.7% of the total portfolio (2021: 4.5%).

The total investment portfolio as at 30 September 2022 was £27.0m (2021: £28.1m), excluding the managed investment property valued at £0.3m (2021: £0.3m). The asset allocation is illustrated below:



## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Free Reserves**

An important role for our Board of Trustees is to manage the long-term sustainability of the charity. We have therefore set our reserves policy to:

1. partly fund the funding gap between fee income and cost of care
2. ensure we are resilient and have the financial capability to momentarily respond to unforeseen financial difficulties
3. provide resources to fund the operational start-up costs at Hammerson House, Wohl Campus
4. allow investment in the refurbishment of Nightingale House, technological advancement, energy efficiency schemes and estates and facilities management
5. enable future expansion of our services to the elderly members of the community.

We have calculated our free reserves as that part of the charity's unrestricted income funds that is freely available after taking account of the tangible fixed assets, restricted, endowment and designated funds earmarked for specific projects. We have considered that given the nature of the charity's work, the continuing impact of the Covid-19 pandemic, political uncertainty around social care funding, economic uncertainties, impact on disposable income, stock market volatilities and the growing demand for elderly care, the level of free reserves should be equivalent to at least 6 to 12 months' expenditure.

We are also of the opinion that the free reserves should afford the charity the flexibility to cover temporary shortfalls in incoming resources either due to the timing difference in cash flow or funding shortfall. As at 30<sup>th</sup> September 2022 the charity held free reserves of £21.4m. Based on the 2021/22 results, the free reserves cover 12 months of operational expenditure. Looking forward, the budgeted operational costs for 2022/23 are £21.7m and 2023/24 £22.5m, meaning free reserves will need to increase slightly in order to remain at the 12 month target for 2023/24. Free reserves are therefore in line with requirements.

### **Going Concern**

The global outbreak of the Covid-19 virus pandemic has led to unprecedented uncertainty for all organisations. We have however taken this situation, difficult as it is, as an opportunity to review our strategic focus and business assumptions. An extensive financial modelling exercise was done in the prior year, and more recently refreshed, taking into account the charity's current operating landscape (such as rising costs due to staff wages, inflation and energy costs, refurbishment costs for Nightingale House and challenges with recruitment and retention). Despite the financial risks, the charity continues to benefit from support from the community, high performing investment portfolios and government social care grants. The 3 and 10-year financial forecasts shows the charity's ability to meet its financial commitment for the foreseeable future. As such, the Board of Trustees is comfortable that the accounts have been prepared on a going concern basis.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Fundraising for our Charitable Objectives**

With the ever more complex care needs and the impact of government initiatives such as the National Living Wage and the pension reform, the need to fundraise to support core funding has never been greater. Local authorities and the NHS, who fund a substantial proportion of our residents, are operating under ever-tightening budgetary constraints. In order to provide the same level of care to all residents, we have to raise in the region of £2.5m per annum through fundraising activities and legacies. This amount will only increase as the differential grows between costs of care on the one hand and government funding on the other.

Our donors and benefactors have continued to give generously, for which we are very grateful. We raised £1.4m (net fundraising income) in the year to support day to day operations with an additional £0.2m received in respect of the Hammerson House, Wohl Campus, building project. The publicity within the community surrounding the Hammerson House, Wohl Campus, development created a natural opportunity for us to raise awareness of what makes Nightingale Hammerson special.

Our heartfelt thanks go to all our donors.

### **Our Commitment to the Fundraising Code of Practice**

Nightingale Hammerson is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We aim to achieve best practice in the way we communicate with our donors and other supporters. Our supporters are at the heart of our ability to fulfil our mission. Following continued scrutiny of fundraising practices across the sector, we have reviewed our systems to ensure that formal consent is gained from all those whom we wish to contact for fundraising purposes. By reviewing our processes, we aim to achieve the standards set out in the Fundraising Code of Practice and ensure compliance with the General Data Protection Regulation. We do not employ third party professional fundraisers or commercial organisations to fundraise on our behalf. We recently undertook a crowd funding fundraising event where the service of a third party charity was employed to provide the technology and campaign expertise needed to make the event a success. We remained the Data Controller and ensured appropriate due diligence were undertaken prior to engaging that firm.

Also in compliance with the Fundraising Code of Practice, we do not take part in any intrusive or high-pressure fundraising activities such as street fundraising, door-to-door or cold-calling. We listen to feedback and investigate any complaints regarding our fundraising activities. During the year, we received no complaints about our fundraising activities.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty**

#### **Our Approach to Risk Management**

Risk is inherent in our operations and the decisions made in pursuit of our charitable goals. The Board of Trustees is responsible for the nature and extent of the principal risks that we are willing to take. It reviews the principal risks to the organisation and ensures that risks are effectively managed through our governance structure. The Board delegates the detailed review of operational risks to the Audit and Risk Committee who review both financial and non-financial risk registers. Our principal risk portfolio will continue to be reviewed by the Board as relating to our strategic priorities. The sub-committees of the Board, namely the Care, Finance and Investment Committees, have continued to focus on more in-depth management of our day-to-day responses to risks. Our principal risks with mitigating actions are:

#### **Fire**

With a large number of frail and often immobile residents, managing fire risk is a key priority for us. Detailed fire risk assessments are undertaken at all levels across the organisation. This includes monthly fire drills in households, fire safety awareness for all staff, periodic fire risk assessments and ensuring the designated fire marshals have the necessary training. During the year, three fire risk assessments were completed at both homes, two at Hammerson House, Wohl Campus, (pre-occupational and occupational) and one at Nightingale House and all issues raised have been mitigated. An additional survey of the fire doors at Nightingale House was undertaken following the recommendation from the previous year's report. Other improvements have been implemented, with some short term solutions found at Nightingale whilst the refurbishment plan is finalised. Furthermore, each resident has a Personal Emergency Evacuation Plan which takes into account their particular needs in relation to fire evacuation. Fire alarms are tested weekly and periodic fire drills are done. Reports on fire drills, fire incidents and fire risk assessments are reported at the Audit and Risk Committee.

#### **Coronavirus**

The Covid-19 pandemic remains the most significant external risk facing the charity - impacting on our residents, staff and volunteers. Multiple aspects of our operations were adapted in keeping with government's guidelines on infection control, safety, hygiene and social distancing. A robust COVID Business Continuity Plan remains in place. SLT held fortnightly Covid-19 meetings throughout the year reviewing infection control risk assessments, outcomes from the testing regimes, changes in government guidance and evaluating the effectiveness of the extra measures put in place.

#### **Recruitment and Retention**

Recruitment and retention, although it is a known challenge within the care sector, became a bigger risk to us with the opening of Hammerson House, Wohl Campus. This is directly linked to our ability to take on new residents as planned, resulting in loss of income opportunities. We also saw an increase in the use of agency staff and overtime payments. A recruitment and admission plan was put in place with progress monitored by SLT and regular updates provided to the Trustees. A new pay and reward structure was also implemented which has enhanced the starting wage of our frontline staff and also offer new benefits to enhance retention and staff referral. A new People Strategy was also developed and presented to the Board. This will build on the new pay and reward structure as well as promote wellbeing at work to reduce absenteeism, diversity and inclusion and developing career pathways.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty (continued)**

#### **Financial**

Just like households across the country, care homes, like ours, are being hit by soaring energy bills and food prices. The impact of this and the increase to staff wages and insurance premiums has had a significant impact on our operational expenditure. Furthermore the Adult Social Care Charging Reform published on 3 December 2021 is currently due to take effect from October 2023, and will add some financial challenges, in addition to the budgetary squeeze on local government funding. A detailed financial risk register is maintained and overseen by the Finance Committee, who continue to review ways to improve our financial resilience in order to ensure sustainability. We continue to assess the impact of these risks on the bottom-line through the 3 and 10 year financial model.

#### **Health and Safety**

Our approach to maintaining a good Health and Safety practice at work is very hands-on. We established three core Health and Safety groups to focus on operations, care and property maintenance. These core groups hold quarterly meetings and provide updates to the Principal Health and Safety Committee which also meets quarterly. Due to the Covid-19 pandemic, the focus of the core groups and committee was more on mitigating the spread of the virus and ensuring the recommended hygiene practices were adopted across the organisation. Regular risk assessments are carried out and remedial action taken where needed. Code-operated doors protect all residents from areas which may be hazardous, such as open staircases. Areas of high risk, such as laundry and kitchen, are only accessible by authorised staff. All staff receive health and safety training specific to their areas of responsibility.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Streamlined Energy and Carbon Reporting

We remain committed to measuring and reducing our energy consumption and the carbon impact of our operations on the physical environment. Nightingale Hammerson has appointed Carbon Footprint Ltd, a leading carbon and energy management company, to independently assess its Greenhouse Gas (GHG) emissions in accordance with the UK Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'.

The GHG emissions have been assessed following the ISO 14064-1:2018 standard and has used the 2022 emission conversion factors published by Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). The assessment follows the location-based approach for assessing Scope 2 emissions from electricity usage. The operational control approach has been used. As part of the required disclosure, the scope of emission were categorised as:

- Scope 1: comprises direct emissions associated with the combustion of fuel (natural gas) as well as additional emissions sources such as refrigerants and owned transport (the minivan).
- Scope 2: comprises primarily indirect energy consumption including consumption of purchased electricity.
- Scope 3: relates to other indirect emissions occurring as a consequence of activities not owned or controlled by the charity e.g. service-related travel.

The table below summarises the GHG emissions for reporting year: 1st October 2021 to 30th September 2022. We have been assessing our carbon emissions since 1st October 2019 and have provided the baseline year and last year's assessment results for comparison.

Scope	Activity	2019/20 tCO <sub>2</sub> e	2020/21 tCO <sub>2</sub> e	2021/22 tCO <sub>2</sub> e
<b>Scope 1</b>	Site gas	580.46	1,029.75	698.37
	Owned Vans	0.17	5.69	8.47
	Refrigerants	17.23	0.00	0.00
<b>Scope 1 Sub Total</b>		<b>597.86</b>	<b>1,035.44</b>	<b>706.84</b>
<b>Scope 2</b>	Electricity generation	402.09	426.69	471.37
<b>Scope 2 Sub Total</b>		<b>402.09</b>	<b>426.69</b>	<b>471.37</b>
<b>Scope 3</b>	Electricity transmission & distribution	34.58	37.76	43.12
<b>Scope 3 Sub Total</b>		<b>34.58</b>	<b>37.76</b>	<b>43.12</b>
<b>Total tonnes of CO<sub>2</sub>e<sup>1</sup></b>		<b>1,034.53</b>	<b>1,499.89</b>	<b>1,221.33</b>
<b>Tonnes of CO<sub>2</sub>e per employee</b>		<b>3.11</b>	<b>4.33</b>	<b>3.12</b>
<b>Tonnes of CO<sub>2</sub>e per £M turnover</b>		<b>100.34</b>	<b>136.35</b>	<b>66.81</b>
<b>Total Energy Consumption (kWh)*</b>		<b>4,882,296</b>	<b>7,105,661</b>	<b>6,263,378</b>

\* Total Energy Consumption includes UK Electricity, UK Site Gas, Company Owned Vehicles.

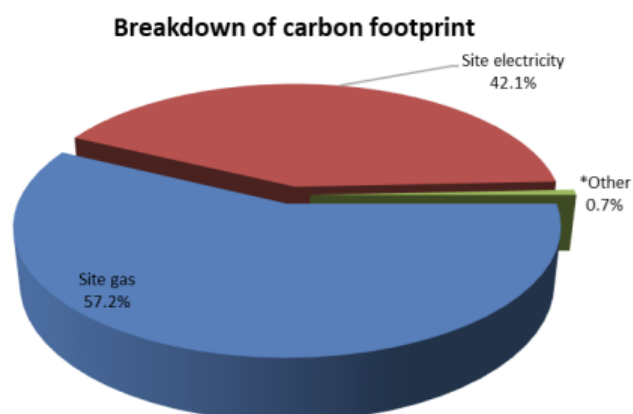
CO<sub>2</sub>e = Carbon O<sub>2</sub> Emission

<sup>1</sup> Emissions from electricity transmission & distribution have not been included as this is outside the boundary required for SECR Regulations.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Streamlined Energy and Carbon Reporting (continued)

The data shows our energy consumption decreased from 1,500 tonnes to 1,221 tonnes CO<sub>2</sub>e at the end of September 2022. Nightingale Hammerson's total carbon footprint increased by 18.1% compared the baseline year. This is due to the increase from all emission sources except refrigerants, which is linked to this being the first full year that Hammerson House was operational. However, Nightingale Hammerson has reduced its total emissions from the previous year which is due to a 32% reduction in natural gas emissions. Natural gas emissions have declined due to gas consumption at Nightingale House falling from 5.071 million kWh to 2.397 million kWh (53% reduction). This is linked to the one of the households at Nightingale House being closed for refurbishment and a longer period of warmer weather.



The chart shows that natural gas consumption represents 57% of the total emissions, whilst electricity consumption represents a further 42% of the emissions. Therefore, site energy consumption contributes to the bulk of the total footprint at 99.3%. We have therefore developed our energy efficiency and sustainability policy to focus on:

- **Measuring our carbon footprint:**  
We will continue to measure our carbon footprint and report this as part of the charity's annual reports, annual review and on our website. Measuring our emissions will enable us to analyse our consumption levels and set SMART targets to reduce levels year on year.
- **Going green:**  
We will seek ways of making our homes and offices more environmentally friendly such as choosing an energy provider that uses renewable energy or use low carbon alternatives where safe. As part of our property refurbishment programme, we will replace our fluorescents with LED lighting, install lighting controls and sensors and promote switching off lights when not needed. We will also encourage staff to switch off computers and any other appliances, improve our Heating, Ventilation and Air-Conditioning (HVAC) systems and look to re-schedule timing of some activities, where practicable, to conserve energy.
- **Reduce, reuse, recycle:**  
We will recycle what we can, reduce what we use and reuse or upcycle items. We promote recycling by ensuring there are recycling bins around the homes and offices. We will also seek to move away from single use plastics as best as possible.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

- ***Our Stakeholders:***

We will maximise our residents' access to the natural environment for the benefit of health and wellbeing. We will seek donors and partners with energy efficiency focus to support us on our journey to net zero carbon. Where net zero carbon emission cannot be achieved, we will invest in projects that allow the charity to offset its net emissions. We will ask our suppliers and contractors about how they are demonstrating their commitment to energy efficiency and sustainability as part of our procurement processes.

- ***Reduce your digital footprint:***

We will endeavour to reduce our digital footprint too by assessing how environmentally friendly our website and digital products are, promoting a digital culture above print, using recycled papers for our printing and embracing other digital energy efficiency initiatives. We will embrace new technologies and enhance existing technologies wherever possible.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report of the directors of the corporate trustee and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

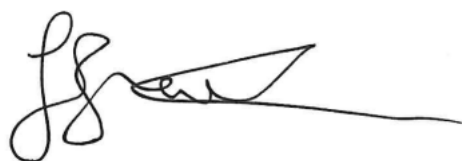
The law applicable to charities in England and Wales requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity, of the income and expenditure of the charity for that period.

In preparing these accounts, the directors are 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 financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's governing document.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Director

Date of approval: 13<sup>th</sup> July 2023

## **INDEPENDENT AUDITOR'S REPORT**

Independent auditor's report to the directors of the corporate trustee of Nightingale Hammerson

### **Opinion**

We have audited the accounts of Nightingale Hammerson (the 'parent charity') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the group and parent charity statement of financial activities, the group and charity balance sheets, the consolidated statement of cash flows, 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 group's and of the parent charity's affairs as at 30 September 2022 and of their 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 accounts section of our report. We are independent of the group 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 directors of the corporate trustee's 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 group and parent 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 directors of the corporate trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

In connection with our audit of the accounts, 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 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 accounts 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:

- the information given in the report of the directors of the corporate trustee is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity accounts 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 directors of the corporate trustee**

As explained more fully in the directors' responsibilities statement, the directors of the corporate trustee 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 directors of the corporate trustee 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 directors of the corporate trustee are responsible for assessing the group's and the parent 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 directors of the corporate trustee either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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 the 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:

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

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

Our approach to identifying and assessing the risks of material misstatements 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; and
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

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

- making enquiries of management as to 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;
- reviewed the new bad debt provision made in the year to ensure all transactions provided for were reasonable to provide for;
- carried out substantive testing of expenditure including the authorization thereof;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimate for the property valuations were indicative of potential bias.

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

- review of the minutes of meetings of those charged with governance; and
- enquiring of management 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 directors of the corporate trustee and other management and the inspection of regulatory and legal correspondence, if any.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

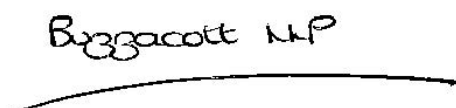
### **Auditor's responsibilities for the audit of the accounts (continued)**

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 accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the directors of the corporate trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the directors of the corporate trustee 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 directors of the corporate trustee as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Buzzacott LLP". Below the signature is a long, thin, slightly curved horizontal line.

**Buzzacott LLP**

21 July 2023

**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

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2022

		<u>Unrestricted Funds</u>			2022	2021
		General	Designated	Restricted	Total	Total
		Fund	Fund	Fund	Funds	Funds
		£'000	£'000	£'000	£'000	£'000
	Note					
<b>Income from:</b>						
Donations and legacies						
Revenue purposes	2	2,729	-	184	<b>2,913</b>	2,284
Capital purposes	2	-	-	196	<b>196</b>	1,669
Investments and short term deposits	3	333	-	48	<b>381</b>	334
Charitable activities						
Provision of residential and nursing care	4	14,771	-	-	<b>14,771</b>	10,365
Government's infection control and furlough grants		-	-	396	<b>396</b>	613
Surplus on disposal of tangible fixed assets	14	846	-	-	<b>846</b>	-
Other sources		106	-	-	<b>106</b>	360
<b>Total Income</b>		<b>18,785</b>	<b>-</b>	<b>824</b>	<b>19,609</b>	<b>15,625</b>
<b>Expenditure on:</b>						
Raising funds						
Generating donations and legacies	5	508	-	-	<b>508</b>	399
Investment management costs		170	-	-	<b>170</b>	160
Charitable activities						
Provision of residential and nursing care	6	18,074	1,844	1,137	<b>21,055</b>	15,536
Taxation	13	46	-	-	<b>46</b>	-
<b>Total expenditure</b>		<b>18,798</b>	<b>1,844</b>	<b>1,137</b>	<b>21,779</b>	<b>16,095</b>
Net income/(expenditure) for the year before transfers and gains/(losses) on investments		<b>(13)</b>	<b>(1,844)</b>	<b>(313)</b>	<b>(2,170)</b>	<b>(470)</b>
Transfers between funds	19	1,743	(111)	(1,632)	-	-
Gains/(losses) on investments						
Realised gains on disposal of investments	16	272	-	-	<b>272</b>	350
Unrealised (losses)/gains on investments	16	(1,633)	-	-	<b>(1,633)</b>	3,114
<b>Net (expenditure) income for the year</b>		<b>369</b>	<b>(1,955)</b>	<b>(1,945)</b>	<b>(3,531)</b>	<b>2,994</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on pension scheme		502	-	-	<b>502</b>	770
<b>Net movement in funds</b>		<b>871</b>	<b>(1,955)</b>	<b>(1,945)</b>	<b>(3,029)</b>	<b>3,764</b>
Funds brought forward at 1 October 2021		22,973	55,324	14,897	<b>93,194</b>	89,430
<b>Funds carried forward 30 September 2022</b>	21	<b>23,844</b>	<b>53,369</b>	<b>12,952</b>	<b>90,165</b>	<b>93,194</b>

The consolidated statement of financial activities includes the results of Nightingale Hammerson and Chalkford Limited.

All of the figures included in the above consolidated statement of financial activities derive from continuing activities of the charity and its subsidiaries.

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2022

		<u>Unrestricted Funds</u>			2022	2021
		General	Designated	Restricted	Total	Total
		Fund	Fund	Fund	Funds	Funds
		£'000	£'000	£'000	£'000	£'000
Note						
<b>Income from:</b>						
Donations and legacies						
	Revenue purposes	2,678	-	184	2,862	2,526
	Capital purposes	-	-	196	196	1,669
	Investments and short term deposits	333	-	48	381	339
Charitable activities						
	Provision of residential and nursing care	14,771	-	-	14,771	10,365
	Government's infection control and furlough grants	-	-	396	396	613
	Surplus on disposal of tangible fixed assets	846	-	-	846	-
	Other sources	99	-	-	99	377
<b>Total Income</b>		<b>18,727</b>	<b>-</b>	<b>824</b>	<b>19,551</b>	<b>15,889</b>
<b>Expenditure on:</b>						
Raising funds						
	Generating donations and legacies	508	-	-	508	399
	Investment management costs	170	-	-	170	160
Charitable activities						
	Provision of residential and nursing care	18,074	1,844	1,137	21,055	15,536
<b>Total expenditure</b>		<b>18,752</b>	<b>1,844</b>	<b>1,137</b>	<b>21,733</b>	<b>16,095</b>
Net income/(expenditure) for the year before transfers and gains/(losses) on investments		<b>(25)</b>	<b>(1,844)</b>	<b>(313)</b>	<b>(2,182)</b>	<b>(206)</b>
	Transfers between funds	1,733	(101)	(1,632)	-	-
Gains/(losses) on investments						
	Realised gains on disposal of investments	272	-	-	272	350
	Unrealised (losses)/gains on listed investments	(1,633)	-	-	(1,633)	3,114
<b>Net (expenditure) income for the year</b>		<b>347</b>	<b>(1,945)</b>	<b>(1,945)</b>	<b>(3,543)</b>	<b>3,258</b>
<b>Other recognised gains and losses</b>						
	Actuarial gains on pension scheme	502	-	-	502	770
<b>Net movement in funds</b>		<b>849</b>	<b>(1,945)</b>	<b>(1,945)</b>	<b>(3,041)</b>	<b>4,028</b>
Funds brought forward at 1 October 2021		22,951	57,546	14,908	95,405	91,377
<b>Funds carried forward 30 September 2022</b>		<b>23,800</b>	<b>55,601</b>	<b>12,963</b>	<b>92,364</b>	<b>95,405</b>

All the figures included in the above statement of financial activities derive from continuing activities of the charity.

## BALANCE SHEET

As at 30 September 2022

		2022		2021	
	Note	Group	Charity	Group	Charity
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	14	49,426	51,664	52,056	54,291
Investments	16	27,271	27,272	28,441	28,442
		<b>76,697</b>	<b>78,936</b>	80,497	82,733
<b>Current assets</b>					
Debtors	17	3,314	3,879	3,888	4,531
Short term deposits		8,014	8,014	4,518	4,518
Cash at bank and in hand		3,202	3,185	5,351	5,312
		<b>14,530</b>	<b>15,078</b>	13,757	14,361
<b>Creditors:</b>					
amount falling due within one year	18	(3,480)	(4,068)	(2,976)	(3,605)
<b>Net current assets</b>		<b>11,050</b>	<b>11,010</b>	<b>10,781</b>	<b>10,756</b>
<b>Total assets less current liabilities</b>		<b>87,747</b>	<b>89,946</b>	<b>91,278</b>	<b>93,489</b>
Pension scheme asset	23	2,418	2,418	1,916	1,916
<b>Total net assets</b>		<b>90,165</b>	<b>92,364</b>	<b>93,194</b>	<b>95,405</b>
<b>Funds and reserves</b>					
<b>Charitable funds</b>					
Restricted funds	19	12,952	12,963	14,897	14,907
Unrestricted funds					
Designated funds					
Hammerson House building fund	20	-	-	-	-
Nightingale House building fund	20	8,500	8,500	8,500	8,500
Maintenance fund	20	3,500	3,500	3,500	3,500
Tangible fixed assets fund	20	41,376	43,601	43,324	45,546
		<b>53,376</b>	<b>55,601</b>	55,324	57,546
General fund		21,419	21,382	21,057	21,036
Pension reserve	23	2,418	2,418	1,916	1,916
	21	<b>90,165</b>	<b>92,364</b>	<b>93,194</b>	<b>95,405</b>

Approved by the directors of the corporate trustee  
And signed on their behalf by:



Director of corporate trustee  
Approved on: 13<sup>th</sup> July 2023

## CONSOLIDATED STATEMENTS OF CASH FLOW

For the year ended 30 September 2022

		<b>2022</b>	<b>2021</b>
		<b>£'000</b>	<b>£'000</b>
<b>Cash flows from operating activities</b>			
Net Cash (used in) provided by operating activities	A	<b>(1,354)</b>	335
<b>Cash flows from investing activities</b>			
Investment income		<b>381</b>	347
Income from capital fundraising		<b>1,560</b>	3,806
Purchase of tangible fixed assets		<b>(549)</b>	(9,585)
Proceeds from disposal of tangible fixed assets		<b>1,500</b>	-
Proceeds from disposal of investments		<b>5,729</b>	6,348
Purchase of investments		<b>(5,670)</b>	(6,342)
<b>Net cash provided by (used in) investment activities</b>		<b>2,951</b>	<b>(5,426)</b>
Change in cash and cash equivalents in the year		<b>1,597</b>	(5,091)
Cash and cash equivalents at 1 October 2021		<b>10,530</b>	15,621
<b>Cash and cash equivalents at 30 September 2022</b>	B	<b>12,127</b>	<b>10,530</b>

### Notes to the consolidated statement of cash flows for the year to 30 Sept 2022

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net movements in funds (as per the statement of financial activities)</b>	<b>(3,029)</b>	3,764
Adjustments for:		
Depreciation charge	<b>2,526</b>	1,840
Surplus on disposal of tangible fixed assets	<b>(846)</b>	-
Losses (gains) on investments	<b>1,361</b>	(3,464)
Investment income	<b>(381)</b>	(334)
(Increase) decrease in value of pension asset	<b>(502)</b>	(770)
Income from capital fundraising	<b>(196)</b>	(1,669)
Increase in debtors	<b>(791)</b>	(173)
Increase in creditors	<b>504</b>	1,141
<b>Net cash (used in) provided by operating activities</b>	<b>(1,354)</b>	<b>335</b>

B Analysis of cash and cash equivalents

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	<b>3,202</b>	5,351
Short term deposits	<b>8,014</b>	4,518
Cash held with investment managers	<b>911</b>	661
<b>Total cash and cash equivalents</b>	<b>12,127</b>	<b>10,530</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1. PRINCIPAL ACCOUNTING POLICIES

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

#### **Basis of preparation**

These accounts have been prepared for the year to 30 September 2022 with comparative information given in respect to the year to 30 September 2021.

The accounts 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 accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102), 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 accounts are presented in sterling and rounded to the nearest thousand pounds.

#### **Going Concern**

The directors, after reviewing the charity's financial performance, operating budget, investment plans, fundraising strategy and financial forecasts, consider that the charity have sufficient funding to continue to provide residential, nursing, dementia and palliative care for the foreseeable future. Given the impact of Covid-19 on the charity, the directors have assessed the prospects of the charity over a three-year period to September 2025. This has taken into account the business models, strategic aims, risks and mitigations of the micro and macro-economic factors as affecting the charity. Based on this assessment, the directors continue to adopt the going concern basis in preparing the accounts.

In determining the going concern basis of preparing the accounts for the year ended 30 September 2022, the directors are required to consider whether the charity can continue in operational existence for a period of at least 12 months from the approval of the accounts. As at 30 September 2022, the total assets less current liabilities of the group were £88m while the total net assets were £90m. Liquidity as at that date was £12.1m made up of £3.2m cash and cash equivalents, £8.0m of short term deposits and £0.9m cash held with investment managers. The increase in liquidity from prior year reflects the withdrawal of cash from our investment portfolios to allow for future capital plans and in response to the deficit budget.

In addition to the increased operational growth capacity, the charity:

- does not have or intend to have long term borrowings over the assessed period. Gearing ratio and interest cover is nil
- Generated £1.5m proceeds from the disposal of Belmont Lodge
- Reviewed its fundraising plan for 2022-23, with plans for a large fundraising event in November 2023.
- Has an investment portfolio, including investment property, of £27.3m as at 30 September 2022.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. PRINCIPAL ACCOUNTING POLICIES (continued)**

The operating model included some downside scenarios such as occupancy numbers falling below budget, higher pay rates, higher costs or lower fundraising income than projected. The impact of the downside scenarios were reviewed against the charity's projected cash position and investments. Should the worst case scenario occur, mitigating actions will include divesting part of the charity's investments to maintain the ideal liquidity level and financially viable in the going concern assessment period.

#### **Basis of consolidation**

The statement of financial activities and balance sheet consolidate the accounts of the charity and its group undertakings (listed below) made up to the balance sheet date.

- Chalkford Limited, a UK trading subsidiary which is a property construction company.
- Friends of Nightingale House, a charitable trust no longer operational but having had the purpose of raising funds on behalf of Nightingale Hammerson.

Intra-group transactions are eliminated in full.

#### ***Critical accounting estimates and areas of judgement***

Preparation of the accounts requires the directors of the corporate trustee and management to make significant judgements and estimates.

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

- assessing the probability of the receipt of legacy income
- estimating accrued expenditure
- determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure
- estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge
- estimating the market value of investment property
- assessing the recoverability of outstanding debtors for residential and care home fees
- assessing the appropriateness of the assumptions made by the actuary in arriving at the actuarial valuation of the charity's defined benefit pension scheme
- determining the value of designated funds set aside at the year end.

#### **Income recognition**

Income is recognised in the period in which the group and/or charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

The group's main income source of income is from its charitable activities including care home residential, dementia and nursing fee income. Other income sources include donations, legacies, income from fundraising events, income from investments and interests from short term bank deposits and other sources.

Donations are recognised when the charity and/or group has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amounts are only accrued once formal pledge agreements are in place; if no such agreements exist the donations are recognised on receipt. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the amount can be reasonably estimated, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured, or estimated, reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity and/or group, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Charity.

Investment income is recognised once the dividend or similar income has been declared and notification has been received of the amount due.

Interest on funds held on short term deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Interest on fixed interest, fixed term deposits is recognised evenly across the deposit term.

Fees for residential and nursing care are recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. They are measured at the fair value of the consideration received or receivable based on agreements with residents and funding agencies, excluding any relevant value added tax.

Income from other sources is measured at fair value and on an accruals basis.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

#### ***Expenditure recognition***

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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings as described in Note 7. The classification between activities is as follows:

- Expenditure on raising funds includes: the salaries, direct costs and overheads associated with generating donated income and legacies; the fees paid to investment managers in connection with maintaining the portfolio of listed investments; and the expenditure of the Charity's trading subsidiary in the UK.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of charitable activities i.e. the provision of holistic quality care to older Jewish people. This includes expenditure on residential and nursing care and the depreciation of those assets used for care purposes.

All expenditure is stated inclusive of irrecoverable VAT.

#### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity, it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Support costs and governance costs are apportioned based on the allocation basis as described in Note 7 to these accounts.

#### **Tangible fixed assets**

All items of furniture, fittings and equipment with a value in excess of £10,000 and which have an expected useful life exceeding one year are capitalised and depreciated. Depreciation is not charged on buildings under construction or on freehold land. The depreciation charges applied to assets on a straight line basis over their estimated useful life are as below:

Property (Freehold and Leasehold):	Development substructure	100 years
	Development super structure	65 years
	Freehold property	25 to 50 years
	Development external works	30 years
	Development Mechanical and Engineering	25 years
	Development finishes, fittings (not loose)	20 years
	Café and kitchen	15 years
Plant:	Plant	10 years
Furniture, Equipment & Vehicles:	Loose fixtures and fittings	5 years
	Motor vehicles	4 years

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

### **1. Principal Accounting Policy (continued)**

#### **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. The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Properties held for investment are included in the accounts at their estimated current market value as determined by the directors of the corporate trustee after consultation with their professional property advisers.

Investments in UK trading subsidiaries are included in the accounts at cost with provision being made for any permanent diminution in value.

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 combined in the statement of financial activities and are credited (or debited) 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. Cash held by investment managers as part of their management strategy is included in fixed asset investments.

#### **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.

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

### **1. Principal Accounting Policy (continued)**

#### **Fund structure**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the directors.

The designated funds are monies or assets set aside out of general funds and designated for specific purposes by the directors.

The tangible fixed assets fund represents the net book value of the tangible fixed assets used for the support of the work of the charity and/or group.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Non-charitable trading funds consist of the retained assets of activities conducted through non-charitable trading subsidiary.

#### **Pension contributions**

The charity has a defined benefits pension scheme which is closed to new members. The assets of the scheme are held and managed separately from those of the charity. Pension scheme assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any change in the asset or liability between balance sheet dates is reflected in the statement of financial activities in recognised gains and losses for the period.

The charity also contributes to the defined contributions scheme and contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2. INCOME FROM DONATIONS AND LEGACIES

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations	1,704	184	<b>1,888</b>	1,386
Hammerson House capital fund	-	196	<b>196</b>	1,669
Legacies				
Revenue donations	1,025	-	<b>1,025</b>	898
<b>2022 Total Funds</b>	<b>2,729</b>	<b>380</b>	<b>3,109</b>	<b>3,953</b>
2021 Total Fund	2,104	1,849	3,953	

<b>Charity</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations	1,653	184	<b>1,837</b>	1,628
Hammerson House capital fund	-	196	<b>196</b>	1,669
Legacies				
Revenue donations	1,025	-	<b>1,025</b>	898
<b>2022 Total Funds</b>	<b>2,678</b>	<b>380</b>	<b>3,058</b>	<b>4,195</b>
2021 Total Fund	2,346	1,849	4,195	

### 3. INCOME FROM INVESTMENTS

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000	£'000
Income from listed investments by fund manager				
Investment Income Veritas	98	-	<b>98</b>	96
Investment Income Schroders	142	48	<b>190</b>	186
	240	48	<b>288</b>	<b>282</b>
Rental income	8	-	<b>8</b>	8
Interest receivable	85	-	<b>85</b>	44
<b>2022 Total Funds</b>	<b>333</b>	<b>48</b>	<b>381</b>	<b>334</b>
2021 Total Fund	290	44	334	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3. INCOME FROM INVESTMENTS (CONTINUED)

	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000	£'000
<b>Charity</b>				
Income from listed investments by fund manager				
Investment Income Veritas	98	-	<b>98</b>	96
Investment Income Schroders	142	48	<b>190</b>	186
	240	48	<b>288</b>	282
Rental income	8	-	<b>8</b>	8
Interest receivable	85	-	<b>85</b>	49
<b>2022 Total Funds</b>	<b>333</b>	<b>48</b>	<b>381</b>	<b>339</b>
2021 Total Fund	295	44	339	

### 4. INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING

	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000	£'000
<b>Group and charity</b>				
Maintenance contributions receivable	14,771	-	<b>14,771</b>	10,365
<b>Total maintenance contributions receivable</b>	<b>14,771</b>	<b>-</b>	<b>14,771</b>	<b>10,365</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5. EXPENDITURE ON GENERATING DONATIONS AND LEGACIES

	General Fund	Designated Fund	Restricted Fund	2022 Total Funds	2021 Total Funds
<b>Group and Charity</b>	£'000	£'000	£'000	<b>£'000</b>	£'000
Staff costs	227	-	-	<b>227</b>	208
Fundraising, legacy and appeal expenses	249	-	-	<b>249</b>	163
Support costs (Note 7)	32	-	-	<b>32</b>	28
<b>2022 Total Funds</b>	<b>508</b>	-	-	<b>508</b>	<b>399</b>
2021 Total Fund	399	-	-	399	

### 6. EXPENDITURE ON PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Designated Fund	Restricted Fund	2022 Total Funds	2021 Total Funds
<b>Group</b>	£'000	£'000	£'000	<b>£'000</b>	£'000
Staff costs	10,919	-	405	<b>11,324</b>	8,378
Catering and food	1,776	-	-	<b>1,776</b>	1,221
Premises day to day costs	2,257	-	-	<b>2,256</b>	1,479
Medical, care and welfare costs	817	-	50	<b>867</b>	547
Support costs (Note 7)	2,305	-	-	<b>2,305</b>	2,071
Depreciation (Note 14)	-	1,844	682	<b>2,526</b>	1,840
<b>2022 Total Funds</b>	<b>18,074</b>	<b>1,844</b>	<b>1,137</b>	<b>21,055</b>	<b>15,536</b>
2021 Total Fund	13,100	1,159	1,277	15,536	

	General Fund	Designated Fund	Restricted Fund	2022 Total Funds	2021 Total Funds
<b>Charity</b>	£'000	£'000	£'000	<b>£'000</b>	£'000
Staff costs	10,919	-	405	<b>11,324</b>	8,378
Catering and food	1,776	-	-	<b>1,776</b>	1,221
Premises day to day costs	2,257	-	-	<b>2,256</b>	1,479
Medical, care and welfare costs	817	-	50	<b>867</b>	547
Support costs (Note 7)	2,305	-	-	<b>2,305</b>	2,071
Depreciation (Note 14)	-	1,844	682	<b>2,526</b>	1,840
<b>2022 Total Funds</b>	<b>18,074</b>	<b>1,844</b>	<b>1,137</b>	<b>21,055</b>	<b>15,536</b>
2021 Total Fund	13,100	1,159	1,277	15,536	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 7. SUPPORT COSTS

The support costs and the basis of their allocation were:

	Generating donations and legacies	Provisions of residential and nursing care	Total	Basis of apportionment
<b>Group and Charity</b>	£'000	£'000	<b>£'000</b>	
Support Staff Cost	16	1,163	<b>1,179</b>	Head count
Administrative and Governance costs Information and Communication Technology	3	261	<b>264</b>	Head count
Insurance	4	263	<b>267</b>	Head count
Human Resources and Volunteering	4	271	<b>275</b>	Head count
	5	347	<b>352</b>	Head count
<b>2022 Total - Group and Charity</b>	<b>32</b>	<b>2,305</b>	<b>2,337</b>	

### 8. UK TRADING SUBSIDIARY

Nightingale Hammerson owns the entire called up ordinary share capital of Chalkford Limited, a property construction company (company registration number 01001396).

	2022	2021
	£'000	£'000
<b>Chalkford Limited</b>		
Turnover	<b>30</b>	5,718
Cost of sales	<b>(24)</b>	(5,450)
Administrative expenses	<b>(3)</b>	(21)
Operating profit	<b>3</b>	247
Interest payable	-	(5)
Profit before Gift Aid	<b>3</b>	242
Amount donated to Nightingale Hammerson	<b>(3)</b>	(242)
Gift aid adjustment in respect to earlier periods	<b>55</b>	-
Profit on ordinary activities before taxation	<b>55</b>	-
Taxation	<b>(46)</b>	-
Retained profit	<b>9</b>	-

At 30 September 2022, Chalkford Limited had retained profits of £8k (2021: retained losses of £1k) and called up share capital of £1k (2021: £1k). The results and the balance sheet figures have been consolidated on a line by line basis within the accounts of Nightingale Hammerson.

After consulting with their professional advisers and the Charity Commission, the trustees of the parent charity gave the company permission to waive £55k of the gift aid committed in 2021. This was necessary following an administrative error relating to the payment of the 2021 gift aid which has resulted in the company incurring a tax charge. The waiver is considered to be in the best interests of both the parent charity and the company.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 9. NET (EXPENDITURE) INCOME FOR THE YEAR

This is stated after charging:

	General Fund	Designated Fund	Restricted Fund	2022 Total Funds	2021 Total Funds
<b>Group</b>	£'000	£'000	£'000	<b>£'000</b>	£'000
Staff costs (Note 10)	12,403	-	405	<b>12,808</b>	9,796
Auditor's remuneration:					
Audit services- relating to current year	34	-	-	<b>34</b>	34
Audit services- relating to prior year	-	-	-	<b>-</b>	8
Other services	5	-	-	<b>5</b>	5
Depreciation (Note 14)	-	1,844	682	<b>2,526</b>	1,840

	General Fund	Designated Fund	Restricted Fund	2022 Total Funds	2021 Total Funds
<b>Charity</b>	£'000	£'000	£'000	<b>£'000</b>	£'000
Staff costs (Note 10)	12,403	-	405	<b>12,808</b>	9,796
Auditor's remuneration:					
Audit services- relating to current year	31	-	-	<b>31</b>	31
Audit services- relating to prior year	8	-	-	<b>8</b>	8
Other services	4	-	-	<b>4</b>	4
Depreciation (Note 14)	-	1,844	682	<b>2,526</b>	1,840

### 10. STAFF COSTS

	2022	2021
<b>Group and charity</b>	<b>£'000</b>	£'000
Wages and salaries	<b>9,273</b>	7,984
Social security costs	<b>889</b>	734
Other Pension costs	<b>231</b>	222
	<b>10,393</b>	8,940
Payments to agency	<b>2,413</b>	832
Redundancy costs	<b>2</b>	24
	<b>12,808</b>	9,796

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10. STAFF COSTS (Continued)

Of payments to agency staff, £799k (2021: £520k) represents payments in respect of one to one care provision. These costs were covered by one to one care fee income.

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) were as follows:

	2022	2021
£60,000 - £70,000	2	3
£70,001 - £80,000	3	-
£80,001 - £90,000	1	2
£90,001 - £100,000	2	1
£110,001 - £120,000	-	1

Of those employees who earned £60,000 or more during the year (as defined above), employer contributions totalling £28,092 (2021: £33,321) were made to defined contribution schemes in respect of seven (2021: six) of them. No contributions were made to defined benefit schemes (2021: £nil).

The total remuneration, including benefits, employers pension contributions and employer's national insurance contributions, paid to key management personnel in the year was £576k (2021: £535k).

The average number of employees, excluding agency staff, analysed by function, was:

	2022	2021
Generating funds	6	4
Residential and nursing care services	396	342
	402	346

### 11. TRUSTEES' REMUNERATION AND EXPENSES

No director received any remuneration or expenses from the group or charity during the year (2021 - £nil).

The nature of the charity's activities means that from time to time relatives of the directors of the corporate trustee or staff may be cared for by the Charity. In 2022, one director of the corporate trustee had a relative cared for by the charity and all fees were set at arm's length (2021: one).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 12. TRUSTEES' INDEMNITY INSURANCE

The insurance provides cover up to £5 million (2021 - £5 million) and the total premium paid in respect of such insurance was £36k (2021 - £39.2k). The cost of this insurance is included in the total insurance cost.

### 13. TAXATION

Nightingale Hammerson is a registered charity and therefore not liable to income tax or capital gains tax on income or gains derived from their charitable activities, as they fall within the various exemptions available to registered charities.

Chalkford Limited donates any taxable profits to Nightingale Hammerson via Gift Aid each year. However due to an administrative error relating to the 2021 gift aid payment, Chalkford has incurred a tax charge of £46k.

### 14. TANGIBLE FIXED ASSETS

	<b>Freehold Property</b>	<b>Leasehold Property</b>	<b>Plant</b>	<b>Furniture, Equipment and Vehicles</b>	<b>2022 Total</b>
	£'000	£'000	£'000	£'000	£'000
<b>Group Cost</b>					
At 1 October 2021	46,098	38,766	1,753	3,421	<b>90,038</b>
Additions	126	152	51	221	<b>550</b>
Disposals	(851)	-	-	(76)	<b>(927)</b>
At 30 September 2022	<b>45,373</b>	<b>38,918</b>	<b>1,804</b>	<b>3,566</b>	<b>89,661</b>
<b>Depreciation</b>					
At 1 October 2021	34,960	610	756	1,656	<b>37,982</b>
Charge	797	1,114	176	439	<b>2,526</b>
Disposals	(197)	-	-	(76)	<b>(273)</b>
At 30 September 2022	<b>35,560</b>	<b>1,724</b>	<b>932</b>	<b>2,019</b>	<b>40,235</b>
<b>Net book values</b>					
At 30 September 2022	<b>9,813</b>	<b>37,194</b>	<b>872</b>	<b>1,547</b>	<b>49,426</b>
At 30 September 2021	<b>11,136</b>	<b>38,157</b>	<b>997</b>	<b>1,765</b>	<b>52,056</b>

No value has been attributed to the leasehold land of the Hammerson House, Wohl Campus, site as lease covenants require its use as a residential care facility.

Belmont Lodge was sold on 1<sup>st</sup> November 2021 for sales proceeds of £1.5m.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14. TANGIBLE FIXED ASSETS (CONTINUED)

	<b>Freehold Property</b>	<b>Leasehold Property</b>	<b>Plant</b>	<b>Furniture, Equipment and Vehicles</b>	<b>2022 Total</b>
<b>Charity</b>	£'000	£'000	£'000	£'000	<b>£'000</b>
<b>Cost</b>					
At 1 October 2021	46,097	40,989	1,814	3,462	<b>92,362</b>
Additions	126	156	52	221	<b>555</b>
Disposals	(851)	-	-	(76)	<b>(927)</b>
At 30 September 2022	45,372	41,145	1,866	3,607	<b>91,990</b>
<b>Depreciation</b>					
At 1 October 2021	34,960	634	782	1,695	<b>38,071</b>
Charge	796	1,115	177	440	<b>2,528</b>
Disposals	(197)	-	-	(76)	<b>(273)</b>
At 30 September 2022	35,559	1,749	959	2,059	<b>40,326</b>
<b>Net book values</b>					
At 30 September 2022	9,813	39,396	907	1,548	<b>51,664</b>
At 30 September 2021	11,137	40,355	1,032	1,768	<b>54,291</b>

### 15. FINANCIAL COMMITMENTS

At 30 September 2022, the charity had £4m financial commitment that had been authorised but not contracted for to refurbish Nightingale House (2021: £4m). There was no financial commitment contracted for but which had not been provided for (2021 – £nil).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS

	Investment Property	Listed Investments	2022 Total	2021 Total
Group	£'000	£'000	£'000	£'000
Market value at 1 October 2021	330	27,450	<b>27,780</b>	24,319
Additions at cost	-	5,670	<b>5,670</b>	6,342
Disposals at book value (proceeds:£5.73m with realised gain of £0.27m)	-	(5,457)	<b>(5,457)</b>	(5,995)
Net unrealised investment (losses)/gains	(33)	(1,600)	<b>(1,633)</b>	3,114
<b>Market value at 30 September 2022</b>	<b>297</b>	<b>26,063</b>	<b>26,360</b>	<b>27,780</b>
Cash awaiting investment	-	911	<b>911</b>	661
	-	-	-	-
<b>Market value at 30 September 2022</b>	<b>297</b>	<b>26,974</b>	<b>27,271</b>	<b>28,441</b>
Cost of Investments at 30 September 2022	238	21,176	21,414	

	Shares in subsidiary company	Investment Property	Listed Investments	2022 Total	2021 Total
Charity	£'000	£'000	£'000	£'000	£'000
Market value at 1 October 2021	1	330	27,450	<b>27,781</b>	24,320
Additions at cost	-	-	5,670	<b>5,670</b>	6,342
Disposals at book value (proceeds:£5.73m with realised gain of £0.27m)	-	-	(5,457)	<b>(5,457)</b>	(5,995)
Net unrealised investment (losses)/gains	-	(33)	(1,600)	<b>(1,633)</b>	3,114
<b>Market value at 30 September 2022</b>	<b>1</b>	<b>297</b>	<b>26,063</b>	<b>26,361</b>	<b>27,781</b>
Cash awaiting investment	-	-	911	<b>911</b>	661
	-	-	-	-	-
<b>Market value at 30 September 2022</b>	<b>1</b>	<b>297</b>	<b>26,974</b>	<b>27,272</b>	<b>28,442</b>
Cost of Investments at 30 September 2022	1	238	21,176	21,415	21,415

#### Listed Investments

All listed investments are dealt in on a recognised stock exchange.

Listed investments held at 30 September 2022 comprised the following:

	Listed Investments	2022 Total	2021 Total	2021 Total
<b>Group and Charity</b>	%	£'000	£'000	%
Fixed Interest	18%	<b>4,855</b>	5,060	18%
Equities	69%	<b>18,612</b>	19,397	69%
Alternatives	9%	<b>2,428</b>	2,530	9%
Multi-assets funds	1%	<b>168</b>	463	2%
Cash Instalments and unit funds	3%	<b>911</b>	661	2%
	100%	<b>26,974</b>	28,111	100%

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS (CONTINUED)

At 30 September 2022, the following investment holding had a material value when compared to the market value of the total portfolio of listed investments as at that date.

	<b>Listed Investments</b>	<b>2022 Total</b>	<b>2021 Total</b>	<b>2021 Total</b>
<b>Group and Charity</b>	%	<b>£'000</b>	£'000	%
Vanguard FTSE All-World UCITS ETF	4.7%	<b>1,273</b>	1,273	4.5%

#### Investment property

Investment property comprises of a long leasehold flat in a property situated in North London purchased by the charity during the year ended 30 September 2014. The directors of the corporate trustee have valued the property based upon information publicly available relating to similar properties in the same location.

#### Subsidiary Undertaking

At 30 September 2022, Nightingale Hammerson owned the entire called up share capital of the following company:

<b>Company</b>	<b>Country of incorporation</b>	<b>Principal activity during the year</b>
Chalkford Limited	England	Property development

### 17. DEBTORS

	<b>2022</b>		<b>2021</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	£'000	£'000
Maintenance contributions	<b>2,544</b>	<b>2,544</b>	1,345	1,345
Amount due from subsidiary undertaking (Note 24)	-	<b>592</b>	-	643
Legacies receivable	<b>80</b>	<b>80</b>	669	669
Donations pledged	<b>339</b>	<b>339</b>	1,522	1,522
Other debtors	<b>237</b>	<b>225</b>	265	265
Prepayments	<b>71</b>	<b>71</b>	53	53
VAT debtor	<b>43</b>	<b>28</b>	34	34
	<b>3,314</b>	<b>3,879</b>	<b>3,888</b>	<b>4,531</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 18. CREDITORS – AMOUNT FALLING DUE WITHIN ONE YEAR

	2022		2021	
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Amounts held on behalf of residents	922	923	670	670
Maintenance contributions received in advance	397	397	517	517
Expense creditors	226	226	399	399
Social security and other taxation	291	246	219	219
Other creditors	39	51	66	66
Accruals	1,604	992	1,105	498
Amount due to subsidiary undertaking (Note 24)	-	1,233	-	1,236
	<b>3,480</b>	<b>4,068</b>	<b>2,976</b>	<b>3,605</b>

### 19. RESTRICTED FUNDS

The income funds of the group and charity include restricted funds comprising the following balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 October 2021	Income	Expenditure	Transfer	At 30 September 2022
Group	£'000	£'000	£'000	£'000	£'000
Nightingale House Fixed Assets Fund	8,731	-	(682)	-	8,049
Nightingale House Capital Fund	600	-	-	-	600
Hammerson House Capital Fund	1,522	196	-	(1,561)	157
Weinberg Funds	3,263	47	-	-	3,310
Donations Special Purpose	472	142	(50)	(160)	404
Janet and Howard Bloch funds	233	-	-	-	233
Intergenerational fund	31	15	(8)	-	38
Infection control Grant	-	396	(396)	-	-
Other restricted funds	45	28	(1)	89	161
	<b>14,897</b>	<b>824</b>	<b>(1,145)</b>	<b>(1,632)</b>	<b>12,952</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 19. RESTRICTED FUNDS (continued)

	At 1 October 2021	Income	Expenditure	Transfer	At 30 September 2022
	£'000	£'000	£'000	£'000	£'000
<b>Charity</b>					
Nightingale House Fixed Assets Fund	8,745	-	(682)	-	<b>8,063</b>
Nightingale House Capital Fund	600	-	-	-	<b>600</b>
Hammerson House Capital Fund	1,522	196	-	(1,561)	<b>157</b>
Weinberg Funds	3,263	47	-	-	<b>3,310</b>
Donations Special Purpose	472	142	(50)	(160)	<b>404</b>
Janet and Howard Bloch funds	232	-	-	-	<b>232</b>
Nursery fund	-	-	-	-	-
Intergenerational fund	31	15	(8)	-	<b>38</b>
Infection control Grant	-	396	(396)	-	-
Other restricted funds	43	28	(1)	89	<b>159</b>
	<b>14,908</b>	<b>824</b>	<b>(1,145)</b>	<b>(1,632)</b>	<b>12,963</b>

#### **Nightingale House Fixed Assets Fund**

This fund comprises the net book value of buildings and equipment used for the operation of Nightingale House, purchased with restricted funds. Each year the depreciation on these assets is charged to the fund.

#### **Nightingale House Capital Fund**

This fund comprises monies donated specifically towards the construction and development of new building projects on the site of Nightingale House which are as yet unspent.

#### **Hammerson House Capital Fund**

This fund comprise donations pledged specifically for the redevelopment of Hammerson House and as yet unspent.

#### **Weinberg Funds**

These funds were donated by The Harry and Jeanette Weinberg Fund and are held for the purpose of substantially upgrading the charity's care homes for the elderly at both Nightingale House and Hammerson House.

#### **Donations Special Purpose**

These funds comprise donations received towards a specific purpose.

#### **Janet and Howard Bloch funds**

These funds comprise monies to be used to provide additional services for the residents, specifically in terms of activities, and the provision of training.

#### **Nursery Fund**

This fund comprises the proportion of the construction costs of the Apples & Honey Nursery building that have been funded by Apples & Honey. Depreciation on the nursery building is charged to the fund each year.

#### **Intergenerational Fund**

This comprises monies received specifically for operation of the intergenerational programme.

#### **Infection control Grant**

Government grant received to provide support with Covid-19 infection control costs

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 20. DESIGNATED FUNDS

The income funds of the group and charity include the following designated funds which have been set aside for major capital projects:

	At 1 October 2021	New designations and transfers	Utilised / released	At 30 September 2022
	£'000	£'000	£'000	£'000
<b>Group</b>				
Hammerson House building fund	-	1,415	(1,415)	-
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	<b>12,000</b>	1,415	(1,415)	<b>12,000</b>
Hammerson House tangible fixed assets fund	38,507	152	(1,674)	<b>36,985</b>
Nightingale House tangible fixed assets fund	4,817	398	(824)	<b>4,391</b>
	<b>55,324</b>	<b>1,958</b>	<b>(3,913)</b>	<b>53,376</b>

	At 1 October 2021	New designations and transfers	Utilised / released	At 30 September 2022
	£'000	£'000	£'000	£'000
<b>Charity</b>				
Hammerson House building fund	-	1,404	(1,404)	-
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	<b>12,000</b>	1,404	(1,404)	<b>12,000</b>
Hammerson House tangible fixed assets fund	40,357	156	(1,674)	<b>38,839</b>
Nightingale House tangible fixed assets fund	5,189	397	(824)	<b>4,762</b>
	<b>57,546</b>	<b>1,957</b>	<b>(3,902)</b>	<b>55,601</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 20. DESIGNATED FUNDS (CONTINUED)

#### *Hammerson House building fund*

This was fund set aside by the directors for the redevelopment of Hammerson House, Wohl Campus. This was duly allocated or released at the year-end given the completion of Hammerson House, Wohl Campus development

#### *Nightingale House building fund*

This comprises monies set aside by the directors to provide funds for redevelopment at Nightingale House.

#### *Maintenance fund*

This comprises monies set aside by the directors to provide funds for the ongoing building maintenance of our homes.

#### *Hammerson House tangible fixed assets fund*

This fund comprises the net book value of the fixed assets related to Hammerson House, used for the operation and designated. Every year, depreciation charges is allocated against this fund.

#### *Nightingale House tangible fixed assets fund*

The tangible fixed assets fund comprises the net book value of the charity's tangible fixed assets (excluding those accounted for the Nightingale House Fixed Assets Restricted Fund). A decision was made by the directors to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day to day work of the charity and group and hence the fund value would not be easily realisable if needed to meet future contingencies.

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<b>General funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>2022 Total</b>
<b>Group</b>	£'000	£'000	£'000	<b>£'000</b>
<b>Fund balances at 30 September 2022 are represented by:</b>				
Tangible fixed assets	-	41,377	8,049	<b>49,426</b>
Investments	23,961	-	3,310	<b>27,271</b>
Current assets	945	11,992	1,593	<b>14,530</b>
Current liabilities	(3,480)	-	-	<b>(3,480)</b>
Pension scheme asset	2,418	-	-	<b>2,418</b>
<b>Total net assets</b>	<b>23,844</b>	<b>53,369</b>	<b>12,952</b>	<b>90,165</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	General funds	Designated funds	Restricted funds	2022 Total
<b>Charity</b>	£'000	£'000	£'000	£'000
<b>Fund balances at 30 September 2022 are represented by:</b>				
Tangible fixed assets	-	43,602	8,062	<b>51,664</b>
Investments	23,962	-	3,310	<b>27,272</b>
Current assets	1,488	11,999	1,591	<b>15,078</b>
Current liabilities	(4,068)	-	-	<b>(4,068)</b>
Pension scheme asset	2,418	-	-	<b>2,418</b>
<b>Total net assets</b>	<b>23,800</b>	<b>55,601</b>	<b>12,963</b>	<b>92,364</b>

### 22. ANALYSIS OF UNREALISED GAINS / LOSSES

	General funds	Designated funds	Restricted funds	2022 Total
<b>Group and Charity</b>	£'000	£'000	£'000	£'000
Accumulated gains on listed investments	5,095	-	702	<b>5,797</b>
Accumulated gains on property	59	-	-	<b>59</b>
<b>Total</b>	<b>5,154</b>	<b>-</b>	<b>702</b>	<b>5,856</b>
Reconciliation of movements in unrealised gains (losses)				
Unrealised gains at 1 October 2021	6,232	-	795	<b>7,027</b>
Less: cumulative unrealised losses released from disposals	406	-	56	<b>462</b>
Add: Net unrealised gains on listed investments unrealised gains in year	(1,439)	-	(194)	<b>(1,633)</b>
Reallocation between funds in year	(45)	-	45	<b>-</b>
<b>Accumulated unrealised gains</b>	<b>5,154</b>	<b>-</b>	<b>702</b>	<b>5,856</b>

### 23. PENSION COMMITMENTS

Nightingale Hammerson operates a defined benefit scheme for certain former employees, providing benefits based on final pensionable pay. It also contributes to personal pension plans for current employees.

The defined benefit scheme is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 March 2020 and updated to 30 September 2022 by a qualified actuary and in line with FRS 102. The major assumptions used by the actuary are shown below.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

This most recent actuarial valuation showed a shortfall of £15,000 (2021: shortfall of £15,000). However, no additional contributions were required to correct the shortfall. This is because it was estimated that the Scheme was in surplus at the date of recovery plan. As there are no active members accruing benefits within the scheme, no further contributions are payable. The employer has agreed to meet all expenses of the scheme and levies to the Pension Protection Fund, other than investment management charges which are borne by the Scheme.

<b>Present values of defined benefit obligation, fair value of assets and defined benefit asset</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Fair value of plan assets	<b>4,870</b>	5,507
Present value of defined benefit obligation	<b>(2,452)</b>	(3,591)
Defined benefit asset at 30 September	<b>2,418</b>	1,916

<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Defined benefit obligation at start of period	<b>3,591</b>	3,961
Interest expense	<b>70</b>	62
Actuarial losses	<b>(1,020)</b>	(309)
Benefits paid and expenses	<b>(189)</b>	(123)
Defined benefit obligation at end of period	<b>2,452</b>	3,591

<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Fair value of plan assets at start of period	<b>5,507</b>	5,107
Interest income	<b>108</b>	81
Actuarial (losses) / gains	<b>(556)</b>	442
Benefits paid and expenses	<b>(189)</b>	(123)
Fair value of plan assets at end of period	<b>4,870</b>	5,507

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

The actual return on the plan assets over the period ended 30 September 2022 was (£448k) (2021: £523k).

	<b>At 30 September 2022 £'000</b>	<b>At 30 September 2021 £'000</b>
<b>Defined benefit costs recognised in other comprehensive income</b>		
(Losses)/gains on plan assets (excluding amounts included in net interest cost)	<b>(556)</b>	442
Experience (losses)/gains arising on plan liabilities	<b>(103)</b>	316
Gain resulting from changes in the demographic and financial assumptions underlying the present value of plan liabilities	<b>1,123</b>	(7)
Losses from changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	<b>(464)</b>	(751)
Total gain recognised in other comprehensive income	<b>-</b>	<b>-</b>
	<b>At 30 September 2022 £'000</b>	<b>At 30 September 2021 £'000</b>
<b>Assets</b>		
Cash and cash equivalents	<b>(19)</b>	70
Equity instruments	<b>2,923</b>	3,313
Debt instruments	<b>1,544</b>	1,740
Other	<b>422</b>	384
<b>Total Assets</b>	<b>4,870</b>	5,507

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

<b>Assumptions</b>	<b>At 30 September 2022 %</b>	<b>At 30 September 2021 %</b>
Discount Rate	<b>5.40</b>	<b>2.00</b>
Inflation (RPI)	<b>3.80</b>	<b>3.60</b>
The mortality assumptions adopted at 30 September 2022 imply the following life expectancies at age 65:	<b>2022</b>	<b>2021</b>
<hr/>		
<b>Retiring today / current pensioners</b>		
Males	<b>22.4</b>	22.3
Females	<b>24.2</b>	24.1
<b>Retiring in 20 years / future pensioners</b>		
Males	<b>23.7</b>	23.6
Females	<b>25.6</b>	25.6

The best estimate of contributions to be paid by the employer to the scheme for the period commencing 1 October 2022 is £nil (2021: £nil). Any expenses of the scheme, other than investment management costs, are expected to be met directly by the employer or reimbursed by the employer if paid by the scheme.

#### **Personal Pension Plans and auto enrolment Schemes**

The total pension cost in respect to personal pension plans and auto enrolment schemes for the year was £0.23m (2021 - £0.22m).

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

### **24. RELATED PARTY TRANSACTIONS**

#### **Chalkford Limited**

Chalkford Limited became a wholly owned subsidiary of Nightingale House on 2 March 2004 and continues as a wholly owned subsidiary of Nightingale Hammerson post-merger. Two directors of Nightingale Hammerson Trustee Company Limited, Harvey Rosenblatt and David Winton are also directors of Chalkford Limited.

Chalkford Limited made charitable contributions of £3k to Nightingale Hammerson during the year to 30 September 2022 (2021 - £0.24m). During the year, the trustees agreed to waive 55k of the gift aid which was committed by Chalkford Limited in 2021 to Nightingale Hammerson (2021 - £nil). At 30 September 2022 Chalkford Limited owed Nightingale Hammerson £nil (2021: £0.40m) in accordance with a loan facility and a further £0.19m (2021: £0.24m) being charitable contributions payable to Nightingale Hammerson in respect to the year ended 30 September 2021 and 30 September 2022. At 30 September 2022, Nightingale Hammerson owed Chalkford Limited £1.23m (2021: £1.24m) under a contract for the construction of property.

#### **Camden Jewish Society**

Camden Jewish Society was amalgamated into Nightingale Hammerson under a deed of collaboration on 1 May 2015 and remains as such. On 31 December 2017, the activities, assets and liabilities of Camden Jewish Society were transferred to Nightingale Hammerson Trustee Company. The charity has remained dormant from this date and was dissolved on 27 September 2022.

#### **Trustees donations**

During the year the charity received donations totalling £128,103 from 13 of the charity's Trustees and organisations to which they are connected (2021 - £478,746 from 11 trustees and connected organisations). The majority of the donations in 2021 related to capital fundraising for Hammerson House. In addition, £145,000 (2021 - £53,000) was received from the Vice President and organisations to which she is connected.

### **25. POST BALANCE SHEET EVENTS**

There were no post balance sheet events to report.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS

#### Consolidated Statement of Financial Activities

	Unrestricted Funds			2021
	General Fund	Designated Fund	Restricted Fund	Total Funds
	£'000	£'000	£'000	£'000
<b>Income from:</b>				
Donations and legacies				
Revenue purposes (including Emergency Appeal)	2,104	-	180	<b>2,284</b>
Capital purposes	-	-	1,669	<b>1,669</b>
Investments and short term deposits	290	-	44	<b>334</b>
Charitable activities				
<i>Provision of residential and nursing care</i>	10,365	-	-	<b>10,365</b>
Government's infection control and furlough grants	24	-	589	<b>613</b>
Other sources	360	-	-	<b>360</b>
<b>Total Income</b>	<b>13,143</b>	<b>-</b>	<b>2,482</b>	<b>15,625</b>
<b>Expenditure on:</b>				
<i>Raising funds</i>				
Generating donations and legacies	399	-	-	<b>399</b>
Investment management costs	160	-	-	<b>160</b>
<i>Charitable activities</i>				
Provision of residential and nursing care	13,100	1,159	1,277	<b>15,536</b>
<b>Total expenditure</b>	<b>13,659</b>	<b>1,159</b>	<b>1,277</b>	<b>16,095</b>
<b>Net (expenditure)/income for the year before transfers and gains on investments</b>	<b>(516)</b>	<b>(1,159)</b>	<b>1,205</b>	<b>(470)</b>
Transfers between funds	(15)	3,821	(3,806)	-
Gains on investments				
Realised gains on disposal of investments	350	-	-	<b>350</b>
Unrealised gains on listed investments	3,114	-	-	<b>3,114</b>
<b>Net income (expenditure) for the year</b>	<b>2,933</b>	<b>2,662</b>	<b>(2,601)</b>	<b>2,994</b>
<b>Other recognised gains and losses</b>				
Actuarial gains on pension scheme	770	-	-	<b>770</b>
<b>Net movement in funds</b>	<b>3,703</b>	<b>2,662</b>	<b>(2,601)</b>	<b>3,764</b>
Funds brought forward at 1 October 2020	19,270	52,662	17,498	<b>89,430</b>
<b>Funds carried forward 30 September 2021</b>	<b>22,973</b>	<b>55,324</b>	<b>14,897</b>	<b>93,194</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### Charity Statement of Financial Activities

	Unrestricted Funds			2021 Total Funds
	General Fund	Designated Fund	Restricted Fund	
	£'000	£'000	£'000	£'000
<b>Income from:</b>				
Donations and legacies				
Revenue purposes (including Emergency Appeal)	2,346	-	180	<b>2,526</b>
Capital purposes	-	-	1,669	<b>1,669</b>
Investments and short term deposits	295	-	44	<b>339</b>
Charitable activities				
<i>Provision of residential and nursing care</i>	10,365	-	-	<b>10,365</b>
Government's infection control and furlough grants	24	-	589	<b>613</b>
Other sources	377	-	-	<b>377</b>
<b>Total income</b>	<b>13,407</b>	<b>-</b>	<b>2,482</b>	<b>15,889</b>
<b>Expenditure on:</b>				
<i>Raising funds</i>				
Generating donations and legacies	399	-	-	<b>399</b>
Investment management costs	160	-	-	<b>160</b>
<i>Charitable activities</i>				
Provision of residential and nursing care	13,100	1,159	1,277	<b>15,536</b>
<b>Total expenditure</b>	<b>13,659</b>	<b>1,159</b>	<b>1,277</b>	<b>16,095</b>
Net expenditure for the year before transfers and gains (losses) on investments	<b>(252)</b>	<b>(1,159)</b>	<b>1,205</b>	<b>(206)</b>
Transfers between funds	(302)	4,108	(3,806)	-
Gains on investments				
Realised gains on disposal of investments	350	-	-	<b>350</b>
Unrealised gains on listed investments	3,114	-	-	<b>3,114</b>
<b>Net income (expenditure) for the year</b>	<b>2,910</b>	<b>2,949</b>	<b>(2,601)</b>	<b>3,258</b>
<b>Other recognised gains and losses</b>				
Actuarial gains on pension scheme	770	-	-	<b>770</b>
<b>Net movement in funds</b>	<b>3,680</b>	<b>2,949</b>	<b>(2,601)</b>	<b>4,028</b>
Funds brought forward at 1 October 2020	19,271	54,597	17,509	<b>91,377</b>
<b>Funds carried forward 30 September 2021</b>	<b>22,951</b>	<b>57,546</b>	<b>14,908</b>	<b>95,405</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### Income from donations and legacies

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000
Donations:			
Revenue donations	1,206	180	<b>1,386</b>
Hammerson House capital fund	-	1,669	<b>1,669</b>
Legacies			
Revenue donations	898	-	<b>898</b>
<b>2021 Total Funds</b>	<b>2,104</b>	<b>1,849</b>	<b>3,953</b>

	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000
<b>Charity</b>			
Donations:			
Revenue donations	1,448	180	<b>1,628</b>
Hammerson House capital fund	-	1,669	<b>1,669</b>
Legacies			
Revenue donations	898	-	<b>898</b>
<b>2021 Total Funds</b>	<b>2,346</b>	<b>1,849</b>	<b>4,195</b>

#### Income from investments

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000
Income from listed investments by fund manager:			
Investment Income Veritas	96	-	<b>96</b>
Investment Income Schroders	142	44	<b>186</b>
	238	44	<b>282</b>
Rental income	8	-	<b>8</b>
Interest receivable	44	-	<b>44</b>
<b>2021 Total Funds</b>	<b>290</b>	<b>44</b>	<b>334</b>

	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2021 Total Funds</b>
	£'000	£'000	£'000
<b>Charity</b>			
Income from listed investments by fund manager:			
Investment Income Veritas	96	-	<b>96</b>
Investment Income Schroders	142	44	<b>186</b>
	238	44	<b>282</b>
Rental income	8	-	<b>8</b>
Interest receivable	49	-	<b>49</b>
<b>2021 Total Funds</b>	<b>295</b>	<b>44</b>	<b>339</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Restricted Fund	2021 Total Funds
	£'000	£'000	£'000
<b>Group and charity</b>			
Maintenance contributions receivable	10,365	-	10,365
<b>Total maintenance contributions receivable</b>	<b>10,365</b>	<b>-</b>	<b>10,365</b>

#### EXPENDITURE ON GENERATING DONATIONS AND LEGACIES

	General Fund	Designated Fund	Restricted Fund	2021 Total Funds
	£'000	£'000	£'000	£'000
<b>Group and Charity</b>				
Staff costs	208	-	-	208
Fundraising, legacy and appeal expenses	163	-	-	163
Support costs (Note 7)	28	-	-	28
<b>2021 Total Funds</b>	<b>399</b>	<b>-</b>	<b>-</b>	<b>399</b>

#### Expenditure on provision of residential and nursing care

	General Fund	Designated Fund	Restricted Fund	2021 Total Funds
	£'000	£'000	£'000	£'000
<b>Group</b>				
Staff costs	7,848	-	530	8,378
Catering and food	1,221	-	-	1,221
Premises day to day costs	1,472	-	7	1,479
Medical, care and welfare costs	488	-	59	547
Support costs (Note 7)	2,071	-	-	2,071
Depreciation (Note 14)	-	1,159	681	1,840
<b>2021 Total Funds</b>	<b>13,100</b>	<b>1,159</b>	<b>1,277</b>	<b>15,536</b>

	General Fund	Designated Fund	Restricted Fund	2021 Total Funds
	£'000	£'000	£'000	£'000
<b>Charity</b>				
Staff costs	7,848	-	530	8,378
Catering and food	1,221	-	-	1,221
Premises day to day costs	1,472	-	7	1,479
Medical, care and welfare costs	488	-	59	547
Support costs (Note 7)	2,071	-	-	2,071
Depreciation (Note 14)	-	1,159	681	1,840
<b>2021 Total Funds</b>	<b>13,100</b>	<b>1,159</b>	<b>1,277</b>	<b>15,536</b>

**NIGHTINGALE HAMMERSON**

England & Wales - Charity number 207316

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# Accounts

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**Nightingale Hammerson**  
**Annual Report and Financial Statements**

30 September 2021

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## **CONTENTS**

### **Reports**

Reference and administrative information	4
Professional advisors	5
Chairman's report	6
Report of the directors of the corporate trustee	7
Independent auditor's report	25

### **Accounts**

Consolidated statement of financial activities	29
Charity statement of financial activities	30
Balance sheet	31
Consolidated statement of cash flow	32
Notes to the financial statements	33

### **Additional information**

About the directors	62
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## REFERENCE AND ADMINISTRATIVE INFORMATION

<b>Registered Name</b>	Nightingale Hammerson
<b>Registered Charity Number</b>	207316 governed by a scheme made by the Charity Commission on 30 March 2012
<b>Principal office</b>	105 Nightingale Lane London SW12 8NB
<b>Telephone</b>	020 8673 3495
<b>Facsimile</b>	020 8675 2258
<b>Website</b>	<a href="http://www.nightingalehammerson.org">www.nightingalehammerson.org</a>
<b>Life Patron</b>	Dame Vivien Duffield DBE
<b>President</b>	Harvey Rosenblatt
<b>Vice Presidents</b>	Patricia Beecham Susan Grant (from 1 April 2022)
<b>Corporate Trustee</b>	Nightingale Hammerson Trustee Company Limited
<b>Non-Executive Directors and Board Members:</b>	
<b>Chairman</b>	Melvin Lawson
<b>Honorary Treasurers</b>	David Winton (Retired 31 March 2022) John Reizenstein Paul Althasen (from 1 April 2022)
<b>Other directors</b>	Carolyn Balcombe Colin Green (Retired 31 March 2022) Daniel Dayan Gill Livingston (Appointed 17 February 2022) Harvey Rosenblatt (Retired 31 March 2022) Jacqueline Morris (Retired 16 December 2021) Joanne Black Keith Barnett Paul Althasen (Appointed 28 July 2021) Rosalind Taylor MBE Susan Grant (Retired 31 March 2022)
<b>Senior Leadership Team:</b>	Helen Simmons - Chief Executive Officer Abiola Yusuf - Director of Finance, Property and ICT Florian Jourdhier - Director of Hospitality and Operations Kevin Noble - Director of People Nuno Santos Lopes - Director of Care

## PROFESSIONAL ADVISORS

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Principal bankers** National Westminster Bank plc  
98 Wandsworth High Street  
London  
SW18 4ZD

**Investment managers** Veritas Investment Management LLP  
90 Long Acre  
London  
WC2E 9RA

Cazenove Capital  
1 London Wall Place  
London  
EC2Y 5AU

**Solicitors** Bircham Dyson Bell LLP  
50 Broadway  
London  
SW1H 0BL

## CHAIRMAN'S REPORT



2021 has provided another milestone in our charity's 181 year history. The senior leadership team continued to guide our skilled and committed care team throughout the pandemic. Their management ensured our provision of outstanding care was maintained and our exceptional care team worked with great compassion to keep residents safe. We sincerely thank everyone for their ongoing commitment to providing our high standard of care during this pandemic; it has not been an easy journey, but everyone's hard work and dedication is truly commendable and appreciated.

In May, we were honoured to welcome Chief Rabbi Mirvis to Hammerson House, Wohl Campus, to perform the ceremony of Chanukat Habayit (a dedication to the house), ahead of the home's opening later that month. At the time, the country was observing the 'rule of six', as lockdown restrictions were beginning to ease for group gatherings. This small event, however, was extremely memorable and did not distract from marking this a great achievement for our charity.

None of this could have been realised without our hugely supportive and generous donors, patrons and friends of Nightingale Hammerson. The financial security they afford us, year on year, enables us to bridge the ever-growing gap between inadequate local authority funding and meeting our actual costs. This deficit is only be balanced with the generous support of the community, to whom we are incredibly grateful.

Regardless of what the future holds or what the new norm is, we have great trust and confidence that the Nightingale Hammerson team will keep delivering exceptional standard of care. We will continue to focus on our staff and their well-being, attracting the best in our sector, to address the ever growing shortfall in meeting the costs of quality care provision where our residents are in receipt of state funding. Our continued and heartfelt thank you to everyone in the Nightingale Hammerson team.

I would like to offer my thanks to Jacqueline Morris, who retired from the Trustee Board during the year, for her contributions to Nightingale Hammerson. Also retiring from the Trustee Board after the year end date are Harvey Rosenblatt, Colin Green, David Winton and Susan Grant. Their contributions to the charity over the years have been truly invaluable. Harvey will remain the President of the charity while Susan will be joining Patricia Beecham as co Vice President. Also, I would like to welcome Paul Althasen to the Board and as a co Honorary Treasurer.

Furthermore, it is with both sadness and immense gratitude that Helen Simmons will be leaving Nightingale Hammerson as the CEO, after 8 years. Helen has led the team to position the charity as the outstanding and dynamic organisation that it is today, ready for many challenges and opportunities facing the residential care sector. I would like to thank Helen and wish her every success in her next endeavour.

As the country continues to ease its lockdown measures, our priority is to make sure Nightingale Hammerson remains a crown jewel in the community, extending the exceptional care we provide.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE

The directors of the corporate trustee of Nightingale Hammerson (herein referred to as ‘directors’ or ‘trustees’), who act as the Trustee Board of the Charity, present the statutory report and accounts for the year ended 30 September 2021. These accounts have been prepared in accordance with the accounting policies set out on pages 33 - 38 and comply with the charity’s governing document, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

### Our Corporate Structure

Nightingale Hammerson’s corporate structure comprises two active entities, both ultimately controlled by the directors of Nightingale Hammerson and included in the consolidated accounts. These are:

- Nightingale Hammerson, a registered charity, providing residential and nursing home facilities at two London sites, Nightingale House, in Clapham, and Hammerson House Wohl Campus, in Hampstead Garden Suburb; and
- Chalkford Limited, a company registered in England and Wales, whose business is property construction.

The Charity also has two dormant entities namely, Camden Jewish Society and The Friends of Nightingale House.

### Our Charitable Purpose

Nightingale Hammerson exists to be a leading provider of quality relationship-centred care for older Jewish people. We provide residential, dementia, nursing and palliative care services and treat all our residents with respect and dignity.

Our aim is to provide holistic care and support in a safe and stimulating environment using dedicated and trained staff and volunteers. We do this through the operation of two residential and nursing care homes – Nightingale House, in Clapham, and Hammerson House, Wohl Campus, in Hampstead Garden Suburb.

Nightingale House traces its origins back to 1840 in the East End of London. It moved to its current site in Clapham in the early 1900s and has continued to deliver excellent care. Hammerson House, WOHL Campus, was purpose-built to serve residents with residential, dementia, nursing and palliative care needs, either on a permanent basis or respite. During the year, the Board of trustees agreed a refurbishment budget, for the coming year, to modernise the home and implement some energy efficiency measures in the facility.

Nightingale House currently has 5 active households with the following maximum bed capacity:

Households	Dedicated Service	Maximum Bed Capacity
Wine	Residential	45
Sherman	Residential Dementia	45
Osha	Residential	15
Wohl	Nursing Dementia	40
Ronson	Nursing / Palliative Needs	26

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

Hammerson House was established some 60 years ago, thanks to an exceptional gift from Mrs Sue Hammerson CBE in memory of her late husband Lewis W Hammerson. For many years it was primarily a residential home although offering some nursing beds and sheltered housing. It was closed for redevelopment in 2017 and re-opened in 2021. Hammerson House, Wohl Campus, will provide care to those with residential, dementia, nursing and palliative care needs. Hammerson House, Wohl Campus, has 6 households with the following maximum bed capacity:

Households	Dedicated Service	Maximum Bed Capacity
Isaac Wolfson	Residential	20
Edith Wolfson	Residential	18
Audrey	Residential Dementia	18
Pat	Residential Dementia / Nursing Dementia	20
Wigoder	Nursing Dementia	20
Ronson	Nursing / Palliative Care Needs	20

### Our Vision

Our vision is to be an internationally recognised centre of care, excellence and innovation; a jewel in the crown of the Jewish community.

### Our Mission

Our mission is to be the leading organisation recognised for providing the best relationship-centred care in the UK and to share what we know with key stakeholders.

### Our Values

Our values are Compassion, Respect, Excellence, Dignity, Integrity and Teamwork.

### Our Statement of Public Benefit

In setting the aims of the charity, the directors have had regard to the guidance published by the Charity Commission in respect to the provision of public benefit by charities. Nightingale Hammerson is committed to providing the quality level of care to all older Jewish people in need, regardless of their personal financial status. A substantial proportion of residents are in receipt of local authority or other government funding and the charity raises funds from its donors and benefactors in order to meet the ever-growing shortfall between government funding and the costs of quality care provision.

### Our Trustees

The directors of the corporate trustee act as the Trustee Board of the Charity and are as set out on Page 4 with brief autobiographies at the end of this report. The Trustee Board meets formally at least five times a year. Between meetings, directors engage with the charity, its volunteers and staff in many and varied ways, such as providing guidance on projects, raising funds, serving formally on committees or supporting new initiatives. Directors are appointed via proposal to the Nominations and Governance Committee and serve 3-yearly terms up to a maximum of 10 years (the first year of service is deemed an induction year).

No director received any remuneration or expenses from the charity during the year.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Our Committees

During the year, the Trustee Board reviewed its committee structure so as to ensure it can adapt and adequately respond to the evolving challenges facing the charity and the adult social care sector, as a whole.

The main committees of the Board are:

- **Nominations and Governance Committee:** Provides guidance on governance, lead on the recruitment of new directors (or trustees), reviews terms of office, and leads on directors' induction, appraisal and training.
- **Finance Committee:** Oversees all financial matters including the financial risk register, budget setting financial performance and financial planning. This Committee is led by the Joint -Treasurers.
- **Care Committee (formerly known as Care Quality Improvement Board):** Oversees all care-related matters to ensure that all regulatory requirements are met and care standards adhered to. Our clinical standards and practices are regulated by the Care Quality Commission (CQC).
- **Audit and Risk Committee:** Oversees the organisational risk assurance framework. It is also responsible for ensuring that the Board is apprised of the principal risks and plans are put in place to mitigate those risks. The membership of this committee includes the Chair of the Care Committee and a Joint Treasurer.
- **Property Committee:** This committee oversees all major capital projects and property compliance matters, with budgetary oversight from the Treasurers.
- **Investment Committee:** Oversees the investment portfolio and provides instruction to the investment managers in line with the charity's investment policy.
- **Technology and Innovation Committee (formerly known as the Technology and Innovation Advisory Board):** oversees the development and implementation of the ICT strategy.
- **Occupancy Committee:** Created to oversee residents' admissions, occupancy levels, service offerings and pricing policy across both homes.
- **Service & Quality Committee:** Responsible for undertaking service quality audits, reporting and implementation of recommendations to enhance service quality.
- **People and Remuneration Committee:** Created to oversee the people strategy, recruitment and retention issues, as well as, the appointment and remuneration of the CEO.
- **Fundraising & Marketing Committee:** Oversees the planning and implementation of fundraising plans, marketing materials and communications externally to boost voluntary donations and capital fundraising income.

In addition to the above, there are other groups set up to provide additional support to the main committees. These are the Fee Subsidy Group, Major Donor Group, Relationship Centred Care Group, Education & Development Group and the Care Risk / Safeguarding Group. The Board of trustees may also on occasion, set up a task and finish group to provide support to the executive team and oversee the delivery of specific tasks, over a specific period of time.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Committees (continued)**

Directors, who served during the year, also served on the various committees of the Board as set out below. Every committee and group is supported by lay leaders who are also members of the committees and contribute a wealth of experience and expertise to their respective committees and / or groups.

### **Our People**

This year, we had an average of 346 staff, across both homes. As a result of the Coronavirus (Covid-19) outbreak, both our frontline and office-based teams have had to work in a more flexible way. On occasions, the office-based teams were deployed to provide support to the frontline team so as to ensure there is adequate resources to cover care needs. Recruitment and retention were particularly challenging this year following the pandemic and the introduction of the vaccination law. Whilst we are grateful that we can draw from our pool of ever-supportive volunteers, the senior leadership team developed a renewed approach to pay packages and increased the retention benefits. In addition to attracting new talents at competitive rates, we implemented a new Application Tracking System (ATS) to make our recruitment process more efficient. We continue to explore innovative ways of attracting and retaining talents including enhancing our learning and development programme, offering flexible shifts and seizing opportunities for overseas recruitment.

Our approach to infection control remained strong throughout the year with an increased focus on measures to prevent the re-introduction of the virus into our care homes. These included limiting staff from working across multiple households, creating separate rest rooms for household teams to prevent households mixing and robust PCR and Lateral Flow testing regimes for staff, volunteers, residents and visitors alike.

### **Our Volunteers**

2021 arrived with incredible challenges which impacted the charity and our residents. However we were innovative in the use of volunteers during the pandemic for which we received the award for Innovation in Volunteering during the Covid-19 Pandemic by the Jewish Volunteer Network.

Overall we had 49 active volunteers in Nightingale House with an additional 52 applications from new volunteers for Hammerson House, Wohl Campus, during the months from June to September. This illustrated a positive community response and support for what we do. The volunteers provide an extra layer of support with 4,500 hours of volunteering to further support our residents with engagement activities, religious services, telephone and in-house befriending. Our volunteers also provide administrative support to our teams.

We are indebted to our volunteers, long-standing and new, for their continued support.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Remuneration of Our Senior Team**

Our Senior Leadership Team (SLT) form the key management personnel of the charity and are responsible for the charity's affairs on a day to day basis. Remuneration is benchmarked and set with reference to current market conditions so to ensure that the charity can recruit and retain high calibre staff. Annual pay reviews are approved by the Finance Committee following recommendation from the People and Remuneration Committee.

### **Employment Policy**

We strive to be an equal opportunity employer and apply objective criteria to assess merit. We aim to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability. Selection criteria and procedures are reviewed to ensure individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate, special training to enable them to progress. Volunteers are coordinated by the Volunteer Development Manager, with recruitment, management, training and supervision policies in place.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Achievements**

#### **An Award-Winning Care Home Completed**

In May 2021, Hammerson House, Wohl Campus, our stunning new care home opened its doors to its first residents. Ahead of receiving our first residents, we were honoured to have the Chief Rabbi Mirvis perform the Chanukat Habayit, the dedication of the house, affixing a mezuzah to the main front door. This world class care home provides 116 bedrooms arranged in clusters to create 'households'. Households offer a sense of community and have their own lounges, library spaces, kitchen areas, resident dining areas, Namaste rooms and balconies. As well as being home to its residents, the building was designed to play an important part within the community such as the provision of mixed use spaces for events, an inter-generational space for local nursery children to come together with the care home's residents, café, hairdresser, shop, therapy suites, commercial catering and laundry facility. This well-thought through setting represents a new standard for older age care. The building was presented with the Best Social Care Development award at the 2021 Building Better Healthcare Awards.

#### **Maintained Outstanding Care despite Covid-19**

2021 was not without its challenges. We were pleased we were the first care homes in London to start administering Covid-19 vaccinations to residents and team members in December 2020. We also overcame the impact of the second wave of Covid-19 effectively, with the entire organisation working as one team. Although we had high levels of sickness amongst frontline staff, we were able to deploy our crisis management plan and redeploy office staff to provide support on the front line. We also ensured we maintained a human approach with our infection control measures, in line with government guidance, so as to maintain the health and wellbeing of our residents. We adopted at a very early stage, essential care giver role to support the emotional, social and spiritual wellbeing of our residents during the pandemic. We also managed to deliver a safe visitation programme without the use of visiting screens which many relatives find very restrictive. During a CQC inspection in July 2021, our robust infection control measures were commended.

#### **Retained Platinum Rating in End of Life Care**

We continue to hold the highest accreditation, Platinum, in the Gold Standard Framework for End of Life Care. Our aim is always to allow, where humanly possible, every resident who wishes to reach the end of their life in our home rather than in the hospital to do so. We are proud of the fact that we continue to achieve this for the majority of our residents, with about 90% choosing to spend their final moments at Nightingale House.

#### **Shared Insights through Researches**

The Network of Care Home Researchers (NoCHR) undertook some research at Nightingale House during the year. A systematic review of intergenerational programmes for people living with dementia and children aged 0-5 was completed, learning from the successes of our intergenerational activities. Furthermore, we launched our inaugural care home research forum in November 2021. The forum welcomed many professionals from within the sector, in person and virtually, sharing real insights on good care practice and leading quality palliative care.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Achievements (continued)**

#### **Adapted Residents' Activities**

Over the last year, we have continually adapted our activity programmes responding to the personal choices and preferences of our residents. We risk assessed every activity and put in place protocols to maintain high safety and health standards. We embraced the challenge of finding alternative arrangements, creative and safe enough to promote residents' engagement. We explored new ways to instil joyfulness, entertain and provide engaging sessions which went a long way in keeping the flame of optimism alive across the organisation.

We were one of the first care homes in the country to break away from Zoom concerts. Through the risk assessed commitment of our musical partners, Live Music Now, Lost Chord and the Jewish Music Institute, we were able to reconnect in person with a wide range of talented musicians and delivered 30 concerts across both sites. One of our donors generously presented us with a beautiful Bechstein Piano and sponsored a series of monthly piano recitals, drawing on the astonishing musical talents of students from the Royal Academy of Music. These events attract an audience of between 50 – 60 residents and help to keep them connected with the wider cultural scene in London.

#### **Promoted Individualised Engagement**

Our dedicated team of eight Engagement Leads and our Religious Advisor have prioritised time to meet with residents individually, to address their personal needs. At least 25% of the team's time was spent engaging with people on a one-to-one basis. Time and again over the last year, our residents have demonstrated their capacity to be resilient, adaptable and strong in the face of the necessary social restrictions and changing protocols. However, after months of staying inside, it has been particularly noticeable that a number of our older people have lost confidence in going out to busy places or areas where they may be at higher risk of contracting Covid-19. This is clearly demonstrated by a 50 per cent reduction in the number of residents who might have previously participated in external outings. We however continue to tailor our engagement activities, addressing the physical, social, spiritual and emotional needs of every resident, encouraging group interactions and outings as suitable.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Plans**

We have been providing exceptional care for over 180 years, yet we hear time and time again from members of the Jewish Community that we are a 'Hidden Jewel' in the crown of the community when it comes to care. Nightingale House is the only Jewish Home for older people in the UK to be classified 'Outstanding' by the CQC. We therefore want to build on our strengths and successes whilst improving on our weaknesses. We also want to seek opportunities to intentionally remain the centre of excellent care. Our strategic priorities, as approved by the Board, are as follows:

#### **1. We will extend our exceptional care**

- By recruiting and retaining an exceptional staff and volunteer team at Hammerson House, Wohl Campus, to deliver care to Nightingale Hammerson's high standards
- By developing a Customer Service Strategy across the organization.

#### **2. We will embed Continuous Improvement & Share Expertise globally**

- By embedding our Care Home Education Centre across both sites
- By following the cycle of 'Plan, Do, Study, Act' in all that we do
- By developing a passionate and inspiring Communications Strategy.

#### **3. We will be the exemplar for Relationship-Centred Care (RCC)**

- By developing an education programme for RCC
- By listening and responding to what matters most to the 4 key relationship groups - residents, staff, families & volunteers
- By practicing what we preach every day

#### **4. We will generate the greatest impact for our residents from our resources**

- By setting a fundraising strategy to increase donations (including a legacy campaign)
- By setting a marketing strategy to increase resident numbers

#### **5. We will expand our Innovation programme including the reach of our intergenerational work and use of technology**

- By expanding our intergenerational work to include more age groups and developing an education programme for Intergenerational work
- By working with innovative external partners
- By participating in successful research projects and investing in their implementation in our homes.

#### **6. We will be a first class employer**

- By implementing a new people strategy that includes - wellbeing and enhanced staff engagement, pay and reward benchmarking, literacy and technology support, diversity and inclusion
- By striving to achieve Investors in People Gold Award
- By defining career paths for all staff team members including through our own development programme.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Financial Review

This review focuses on the year ended 30 September 2021. It remained a challenging year for us with the ongoing impact of the pandemic on the community we serve, our operations and our supporters. At the end of the year, our total income from our charitable activities was £10.4m. This was slightly more than last year. Although, there was a decline in resident number at Nightingale House, the re-opening of our second care home, Hammerson House, Wohl Campus, contributed to the increase in income, as well as, the increase in one-to-one care provision. At the year end, we had 121 residents at Nightingale House and 43 at Hammerson House, Wohl Campus.

In May 2021, we welcomed our first residents to Hammerson House, Wohl Campus. Our operational costs increased as a result including staffing costs, catering and accommodation costs. Our average staff number increased from 333 last year to 346. The majority of the increase was to support direct care provision and frontline services. Our vision continues to be extending exceptional care services to Hammerson House, Wohl Campus, and delivering personalised Relationship Centred Care across both homes. To maximise resources, we adopted a cross-site working policy for some administrative staff and the SLT.

Our operating deficit at the end of the year was £4.2m (2020: £3.4m), a 24% increase on last year's performance. This was to be expected given it was the first year of opening our second care home. We received £0.6m (2020: £0.5m) in government grants to mitigate the increased cost of infection control across both homes and to support payment to staff isolating in line with HMRC Coronavirus Job Retention Scheme. Keeping abreast with government guidelines, we maintained a balance between the health and well-being of our residents and staff, upholding service standards in an infection-controlled environment. We continued with our rigorous testing regimes and redeployed some of our administrative staff to support essential services, enabling us to emerge as a stronger organisation.

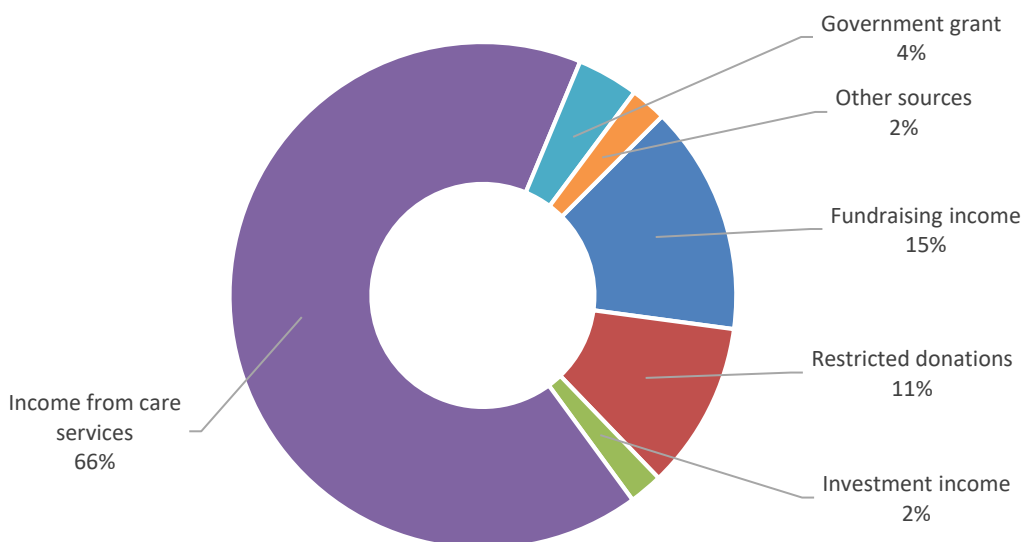
	<b>2021</b>	2020
	<b>£m</b>	£m
Income from care provision	<b>10.4</b>	10.0
Cost of care provision including depreciation	<b>(15.6)</b>	(14.0)
Government related infection control and furlough grants	<b>0.6</b>	<b>0.5</b>
Other operating income	<b>0.4</b>	<b>0.1</b>
<b>Operating deficit</b>	<b>(4.2)</b>	<b>(3.4)</b>
Net fundraising income (excluding emergency appeal, legacies & capital donations)	<b>1.0</b>	1.8
Legacies	<b>0.9</b>	0.3
Net income from investments	<b>0.2</b>	0.3
<b>(Deficit) before investment gains and capital fundraising</b>	<b>(2.1)</b>	<b>(1.0)</b>
Coronavirus Jewish Homes Emergency Appeal	-	0.8
Capital donations for Hammerson House, WOHL Campus	1.7	2.4
Realised gains / (losses) from investments	0.3	(0.3)
Unrealised gains from investments	3.1	1.6
Actuarial gains from pension scheme	0.8	-

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

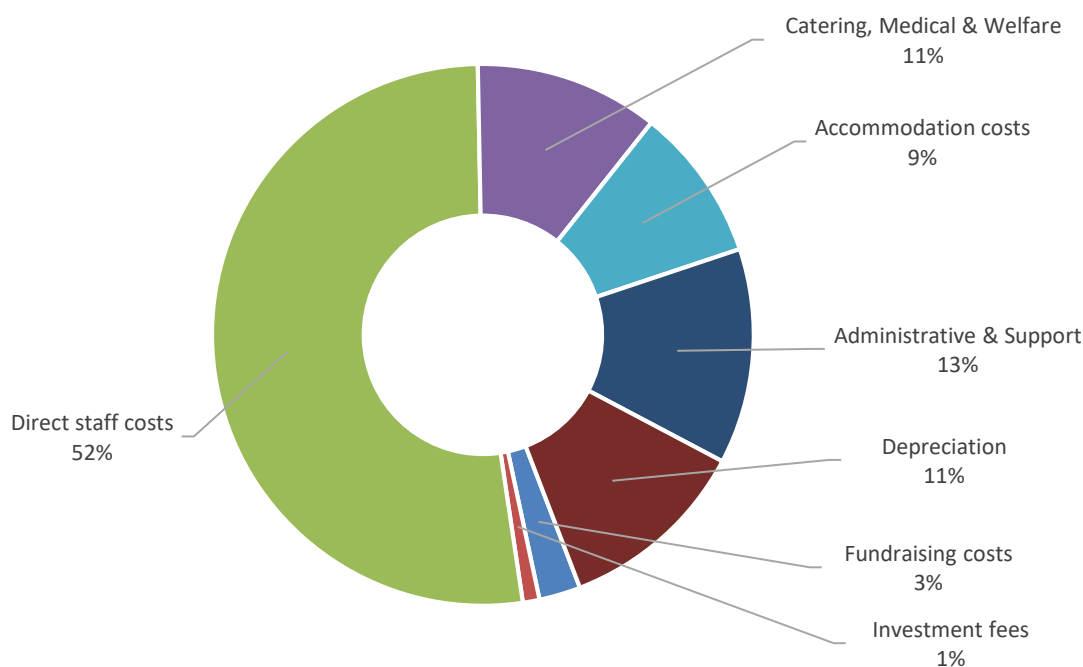
### Financial Review (continued)

We received a net fundraising income of £1m in the year which was 44% less than prior year mainly resulting from not holding the biennial charity dinner and the cancellation of fundraising events. We however saw a significant increase in legacy income from £0.3m to £0.9m (including accrued legacies). There was a decline in investment income to £0.2m (2020: £0.3m) and the deficit before investment gains and capital donations was £2.1m (2020: £1m).

### Where our income came from



### Where the money was spent



## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Investment Policy and Performance

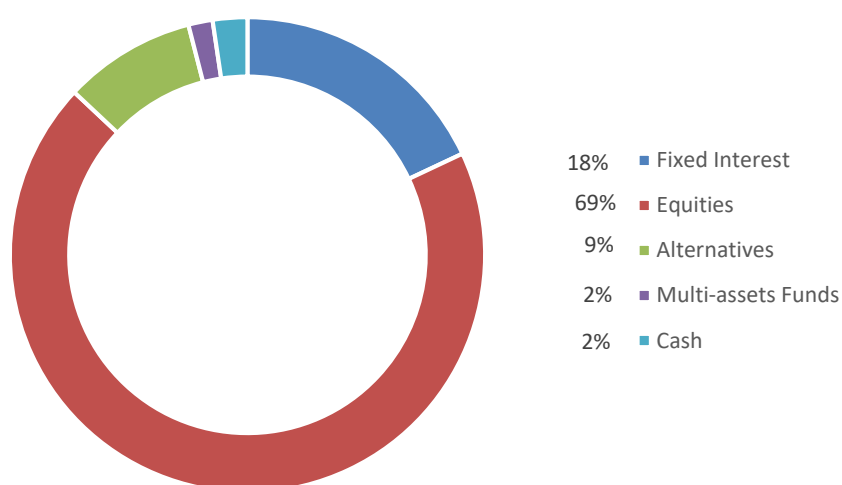
It was a very favourable year for the charity's investments. Realised and unrealised gains on investment totalled £3.4m (2020: £1.3m). Income realised from investment was however low at £0.2m, in comparison to the £0.3m realised in 2019/20. The main reason for the drop in investment income can be attributed to the withdrawal of funds from money markets and short term deposits to complete the Hammerson House, Wohl Campus, development. Over £20m of the charity's long term investments was divested, over a 4 year period, to fund the design and build of Hammerson House, Wohl Campus, with the remaining £20m raised from generous donations within the community.

As part of maintaining good financial stewardship of the charity's resources, the Board of Trustees appoints two fund management firms with complementary approaches to manage its investment portfolio. The Board sets the investment mandate, which is aimed at achieving real returns over the long term, on a total return basis with an emphasis on capital growth. The Board's risk appetite is set as medium risk. The fund managers have full discretion to invest the charity's funds according to the investment mandate and the set target of attaining (or outperforming) UK CPI +3%, net of all fees, on an annualised basis over the long term. The Investment Committee receives periodic updates from both fund managers and provides an update on performance at every Trustee Board meeting.

Although the results in the year were good, there is some caution as to whether the fund managers could continue to deliver such strong growth given the likely returns from financial assets in the coming years. The managers made various changes to the positioning of their respective portfolios over the year, in accordance with the mandate and their views of the outlook for markets, sectors and the underlying performance of the businesses and funds in which the portfolios are invested. The portfolios remain broadly diversified, although one of the managers has a greater exposure to the technology and healthcare sectors, which has helped enhance their portfolio returns in recent years.

Total investment portfolio as at 30 September 2021 was £28.1m (2020: £24.5m), excluding the managed investment property valued at £0.33m (2020: £0.3m). Asset allocation is illustrated below:

Asset Allocation



## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Free Reserves**

An important role for our Board of Trustees is to manage the long-term sustainability of the charity. We have therefore set our reserves policy to:

1. partly fund the funding gap between fee income and cost of care
2. ensure we are resilient and have the financial capability to momentarily respond to unforeseen financial difficulties; a pandemic outbreak being a case in point
3. provide resources to fund the operational start-up costs at Hammerson House, Wohl Campus
4. allow investment in the refurbishment of Nightingale House, technological advancement, energy efficiency schemes and estates and facilities management
5. enable future expansion of our services to the elderly members of the community.

We have calculated our free reserves as that part of the charity's unrestricted income funds that is freely available after taking account of the tangible fixed assets, restricted, endowment and designated funds earmarked for specific projects. We have considered that given the nature of the charity's work, the continuing fight against the Covid-19 pandemic, political uncertainty around social care funding, economic uncertainties, impact on disposable income, stock market volatilities and the growing demand for elderly care, the level of free reserves should be equivalent to at least 6 to 12 months' expenditure.

We are also of the opinion that the free reserves should afford the charity the flexibility to cover temporary shortfalls in incoming resources either due to the timing difference in cash flow and funding shortfall. For the purpose of assessing the adequacy of the free reserves, we have taken into account the full run rate expenditure for Hammerson House, Wohl Campus, of £11m and the 2021/22 operating costs at Nightingale House of £12m. Therefore, free reserves as at the end of 2020/21 of £21m (2020: £18.1m) were in line with requirement.

### **Going Concern**

The global outbreak of the Covid-19 virus pandemic has led to unprecedented uncertainty for all organisations. We have however taken this situation, difficult as it is, as an opportunity to review our strategic focus and business assumptions. An extensive financial modelling exercise was done in prior year, and more recently refreshed, taking into account the charity's current operating landscape (such as rising costs due to staff wages, inflation and energy costs, refurbishment cost for Nightingale House and challenges with recruitment and retention). Despite the financial risks, the charity continues to benefit from support from the community, high performing investment portfolios and government social care grants. The 3 and 10-year financial forecasts shows the charity's ability to meet its financial commitment for the foreseeable future. As such, the Board of Trustees is comfortable that the accounts have been prepared on a going concern basis.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Fundraising for our Charitable Objectives**

With the ever more complex care needs and the impact of government initiatives such as the National Living Wage and the pension reform, the need to fund-raise to support core funding has never been greater. Local authorities and the NHS, who fund a substantial proportion of our residents, are operating under ever-tightening budgetary constraints. In order to provide the same level of care to all residents, we have to raise in the region of £2.5m per annum through fundraising activities and legacies. This amount will only increase as the differential grows between costs of care on the one hand and government funding on the other.

Our donors and benefactors have continued to give generously, for which we are very grateful. We raised £1.4m (gross fundraising income) in the year to support day to day operations with an additional £1.7m received in respect of the Hammerson House, Wohl Campus, building project. The publicity within the community surrounding the Hammerson House, Wohl Campus, development created a natural opportunity for us to raise awareness of what makes Nightingale Hammerson special.

Our heartfelt thanks go to all our donors.

### **Our Commitment to the Fundraising Code of Practice**

Nightingale Hammerson is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We aim to achieve best practice in the way we communicate with our donors and other supporters. Our supporters are at the heart of our ability to fulfil our mission. Following continued scrutiny of fundraising practices across the sector, we have reviewed our systems to ensure that formal consent is gained from all those whom we wish to contact for fundraising purposes. By reviewing our processes, we aim to achieve the standards set out in the Fundraising Code of Practice and ensure compliance with the General Data Protection Regulation. We do not employ third party professional fundraisers or commercial organisations to fundraise on our behalf. We recently undertook a crowd funding fundraising event where the service of a third party charity was employed to provide the technology and campaign expertise needed to make the event a success. We remained the Data Controller and ensured appropriate due diligence were undertaken prior to engaging that firm.

Also in compliance with the Fundraising Code of Practice, we do not take part in any intrusive or high-pressure fundraising activities such as street fundraising, door-to-door or cold-calling. We listen to feedback and investigate any complaints regarding our fundraising activities. During the year, we received no complaints about our fundraising activities.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty**

#### **Our Approach to Risk Management**

Risk is inherent in our operations and the decisions we make in pursuit of our charitable goals. The Board of Trustees is responsible for the nature and extent of the principal risks that we are willing to take. It reviews the principal risks to the organisation and ensures that risks are effectively managed through our governance structure. The Board delegates the detailed review of operational risks to the Audit and Risk Committee. Clinical risk assessments continue to be overseen by the Care Committee whilst financial and investment risks are overseen by the Finance and Investment Committees, respectively. Looking ahead, a new risk governance structure and a revised approach to risk management will be put in place. The revised approach will ensure both financial and non-financial risk registers are reviewed by the Audit and Risk Committee. Our principal risk portfolio will continue to be reviewed by the Board as relating to our strategic priorities. The sub-committees of the Board will also continue to have focus on more in-depth management of our day-to-day responses to risks. Our principal risks with mitigating actions are:

#### **Coronavirus**

The Covid-19 pandemic remains the most significant external risk facing the charity - impacting on our residents, staff and volunteers. Multiple aspects of our operations have had to be adapted in keeping with government's guidelines on infection control, safety, hygiene and social distancing. The use of PPE remained compulsory and we maintained a robust Covid-19 testing. SLT held on a weekly basis Covid-19 meetings reviewing infection control risk assessments, outcomes from the testing regimes, changes in government guidance and evaluating the effectiveness of the extra measures put in place. Regular updates from the Covid-19 meetings were also discussed at the Care Risk Committee and the Board. We kept our residents and relatives up to date regularly via the fortnightly Relatives Newsletters and we also held a virtual meeting with the relatives of our residents. We have embraced the opportunity for our workforce (staff and volunteers) to receive the booster jab and continue to monitor its uptake amongst residents as well.

#### **Recruitment and Retention**

Recruitment and retention, although it is a known challenge within the care sector, became a bigger risk to us with the introduction of the compulsory vaccination for care homes and the opening of Hammerson House, Wohl Campus. This impacted on our ability to take on new residents as planned, resulting in loss of income opportunities. We also saw an increase in the use of agency staff and overtime payments. To mitigate this risk, the SLT has reviewed and proposed a new pay and reward structure. This will enhance the starting wage of our frontline staff and also offer new benefits to enhance retention and staff referral. A new People Strategy was also developed and presented to the Board. This will build on the new pay and reward structure as well as promote wellbeing at work to reduce absenteeism, diversity and inclusion and developing career pathways.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty (continued)**

#### **Fire**

With a large number of frail and often immobile residents, managing fire risk is a key priority for us. Detailed fire risk assessments are undertaken at all levels across the organisation. This includes monthly fire drills in households, fire safety awareness for all staff, periodic fire risk assessments and ensuring the designated fire marshals have the necessary training. During the year, three fire risk assessments were completed at both homes, two at Hammerson House, Wohl Campus, (pre-occupational and occupational) and one at Nightingale House. Recommendations from both reports have been looked into and either have been implemented or are to be implemented. A follow-up review is, however, necessary at Nightingale House and this has been commissioned to take place in early 2022. Furthermore, each resident has a Personal Emergency Evacuation Plan (PEEP) which takes into account their particular needs in relation to fire evacuation. Fire alarms are tested weekly and periodic fire drills are done. Reports on fire drills, fire incidents and fire risk assessments are reported at the Audit and Risk Committee.

#### **Financial**

The pandemic has impacted both our ability to fill bed spaces and generate fundraising income through the well-known and well-tested pre-pandemic fundraising activities. Furthermore, with the launch of the Adult Social Care Reform White Paper, there may be some financial challenges in addition to the budgetary squeeze on local government funding. A detailed financial risk register is maintained and overseen by the Finance Committee. Falling levels, in real terms, of government funding create a significant risk for the charity and the Finance Committee continues to review ways to improve our financial resilience in order to ensure sustainability. Energy prices have also surged post balance sheet date, amongst other rises in operational costs. We continue to assess the impact of these on the bottom-line through the 3 and 10 year financial model. Furthermore, our fundraising and marketing strategy has been revised to ensure the charity can adapt its fundraising approach.

#### **Health and Safety**

Our approach to maintaining a good Health and Safety practice at work is very hands-on. We established three core Health and Safety groups to focus each on operations, care and property maintenance. These core groups hold quarterly meetings and provide updates to the Principal Health and Safety Committee which also meets quarterly. Due to the Covid-19 pandemic, the focus of the core groups and committee was more on mitigating the spread of the virus and ensuring the recommended hygiene practices were adopted across the organisation. Regular risk assessments are carried out and remedial action taken where needed. Code-operated doors protect all residents from areas which may be hazardous, such as open staircases. Areas of high risk, such as laundry and kitchen, are only accessible by authorised staff. All staff receive health and safety training specific to their areas of responsibility.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Streamlined Energy and Carbon Reporting

We remain committed to measuring and reducing our energy consumption and the carbon impact of our operations on the physical environment. Whilst we acknowledge that this is a journey for us and would require some initial investments, we are investing in launching our net zero carbon strategy in 2022. We recognise the need to first look within our own direct operations in order to understand and reduce indirect emissions. We therefore appointed a leading carbon and energy management company to independently assess our Greenhouse Gas (GHG) emissions in accordance with the UK Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'.

The GHG emissions have been assessed following the ISO 14064-1:2018 standard and has used the 2021 emission conversion factors published by Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). The assessment follows the location-based approach for assessing Scope 2 emissions from electricity usage. As part of the required disclosure, the scope of emission were categorised as:

- Scope 1: comprises direct emissions associated with the combustion of fuel (natural gas) as well as additional emissions sources such as refrigerants and owned transport (the minivan).
- Scope 2: comprises primarily indirect energy consumption including consumption of purchased electricity.
- Scope 3: relates to other indirect emissions occurring as a consequence of activities not owned or controlled by the charity e.g. service-related travel.

This was our second carbon footprint analysis and we have used last year's analysis as the base year. It is however important to note that last year's analysis was only about Nightingale House. The table below shows the combined emissions for both Nightingale and Hammerson House in 2020/21 and for Nightingale House only in 2019/20.

Scope	Activity	2020-21	2019-20
		Tonnes CO2e	Tonnes CO2e
Scope 1	Site gas	1030	580
	Refrigerants	-	17
	Van travel	6	0.2
	Scope 1 total	1,036	597.2
Scope 2	Electricity generation	427	402
	Scope 2 total	427	402
Scope 3	Energy transmission and distribution	37	35
	Scope 3 total	37	35
<b>Total tonnes of CO2e</b>		<b>1,500</b>	<b>1,035</b>
Tonnes of CO2e per employee		4	3
Tonnes of CO2e per £m turnover		103	42
Total energy consumption (kWh)*		7,105,661	4,882,296

CO2e = Carbon O2 Emission

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Streamlined Energy and Carbon Reporting (continued)

The data shows our energy consumption increased from 1,035tonnes to 1,500 tonnes CO<sub>2</sub>e at the end of September 2021. One of the main contributing factors being the inclusion of Hammerson House, WOHL Campus, in this year's analysis. As part of our journey to an energy efficient organisation, the design and build of Hammerson House, Wohl Campus, incorporated a Combined Heat and Power (CHP) system; lighting sensors fully DALI addressable with daylight dimming, Shabbat setting and full programming; low level hand dryers; Electrical Vehicle Charging points for electric vehicles and low Specific Fan Power (SFP) within the air handling units to reduce energy usage.

The data also shows that natural gas consumption represents 69% of the total emissions, whilst electricity consumption represents a further 31% of the emissions. Therefore, site energy consumption contributes to the bulk of the total footprint at 99.6%. We have therefore developed our energy efficiency and sustainability policy to focus on:

- **Measuring our carbon footprint:**  
We will continue to measure our carbon footprint and report this as part of the charity's annual reports, annual review and on our website. Measuring our emissions will enable us to analyse our consumption levels and set SMART targets to reduce levels year on year.
- **Going green:**  
We will seek ways of making our homes and offices more environmentally friendly such as choosing an energy provider that uses renewable energy or use low carbon alternatives where safe. As part of our property refurbishment programme, we will replace our fluorescents with LED lighting, install lighting controls and sensors and promote switching off lights when not needed. We will also encourage staff to switch off computers and any other appliances, improve our Heating, Ventilation and Air-Conditioning (HVAC) systems and look to re-schedule timing of some activities, where practicable, to conserve energy.
- **Reduce, reuse, recycle:**  
We will recycle what we can, reduce what we use and reuse or upcycle items. We promote recycling by ensuring there are recycling bins around the homes and offices. We will also seek to move away from single use plastics as best as possible.
- **Our Stakeholders:**  
We will maximise our residents' access to the natural environment for the benefit of health and wellbeing. We will seek donors and partners with energy efficiency focus to support us on our journey to net zero carbon. Where net zero carbon emission cannot be achieved, we will invest in projects that allow the charity to offset its net emissions. We will ask our suppliers and contractors about how they are demonstrating their commitment to energy efficiency and sustainability as part of our procurement processes.
- **Reduce your digital footprint:**  
We will endeavour to reduce our digital footprint too by assessing how environmentally friendly our website and digital products are, promoting a digital culture above print, using recycled papers for our printing and embracing other digital energy efficiency initiatives. We will embrace new technologies and enhance existing technologies wherever possible.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the report of the directors of the corporate trustee and accounts 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 directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity, of the incoming resources and application of resources of the charity for that period.

In preparing these accounts, the directors are 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 financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's governing document.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Director: Melvin Lawson

Date of approval: 31 March 2022

## **INDEPENDENT AUDITOR'S REPORT**

Independent auditor's report to the directors of the corporate trustee of Nightingale Hammerson

### **Opinion**

We have audited the accounts of Nightingale Hammerson (the 'parent charity') and its subsidiaries (the 'group') for the year ended 30 September 2021 which comprise the group and parent charity statement of financial activities, the group and charity balance sheets, the consolidated statement of cash flows, the 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 group's and of the parent charity's affairs as at 30 September 2021 and of their 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 accounts section of our report. We are independent of the group 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 directors of the corporate trustee's 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 group and parent 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 directors of the corporate trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

In connection with our audit of the accounts, 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 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 accounts 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:

- the information given in the report of the directors of the corporate trustee is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity accounts 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 directors of the corporate trustee**

As explained more fully in the directors' responsibilities statement, the directors of the corporate trustee 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 directors of the corporate trustee 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 directors of the corporate trustee are responsible for assessing the group's and the parent 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 directors of the corporate trustee either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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 the 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:

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

Our approach to identifying and assessing the risks of material misstatements 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; and
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

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

- making enquiries of management as to 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;
- reviewed the new bad debt provision made in the year to ensure all transactions provided for were reasonable to provide for;
- carried out substantive testing of expenditure including the authorization thereof;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimate for the property valuations were indicative of potential bias.

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

- review of the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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

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 directors of the corporate trustee and other management and the inspection of regulatory and legal correspondence, if any.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

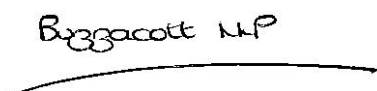
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

### **Use of our report**

This report is made solely to the directors of the corporate trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the directors of the corporate trustee 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 directors of the corporate trustee as a body, for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*



**Buzzacott LLP**

27 April 2022

**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

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2021

		Unrestricted Funds			2021	2020
		General Fund	Designated Fund	Restricted Fund	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000
	Note					
<b>Income from:</b>						
Donations and legacies						
Revenue purposes (including Emergency Appeal)	2	2,104	-	180	<b>2,284</b>	3,542
Capital purposes	2	-	-	1,669	<b>1,669</b>	2,415
Investments and short term deposits	3	290	-	44	<b>334</b>	489
Charitable activities						
Provision of residential and nursing care	4	10,365	-	-	<b>10,365</b>	9,975
Government's infection control and furlough grants		24	-	589	<b>613</b>	486
Other sources		360	-	-	<b>360</b>	76
<b>Total Income</b>		<b>13,143</b>	<b>-</b>	<b>2,482</b>	<b>15,625</b>	<b>16,983</b>
<b>Expenditure on:</b>						
Raising funds						
Generating donations and legacies	5	399	-	-	<b>399</b>	637
Investment management costs		160	-	-	<b>160</b>	142
Charitable activities						
Provision of residential and nursing care	6	13,100	1,159	1,277	<b>15,536</b>	13,993
<b>Total expenditure</b>		<b>13,659</b>	<b>1,159</b>	<b>1,277</b>	<b>16,095</b>	<b>14,772</b>
Net (expenditure) / income for the year before transfers and gains (losses) on investments		<b>(516)</b>	<b>(1,159)</b>	<b>1,205</b>	<b>(470)</b>	<b>2,211</b>
Transfers between funds	19	(15)	3,821	(3,806)	-	-
Gains on investments						
Realised gains on disposal of investments	16	350	-	-	<b>350</b>	(322)
Unrealised gains on investments	16	3,114	-	-	<b>3,114</b>	1,637
<b>Net income (expenditure) for the year</b>		<b>2,933</b>	<b>2,662</b>	<b>(2,601)</b>	<b>2,994</b>	<b>3,526</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on pension scheme		770	-	-	<b>770</b>	(29)
<b>Net movement in funds</b>		<b>3,703</b>	<b>2,662</b>	<b>(2,601)</b>	<b>3,764</b>	<b>3,497</b>
Funds brought forward at 1 October 2020		19,270	52,662	17,498	<b>89,430</b>	85,933
<b>Funds carried forward 30 September 2021</b>	21	<b>22,973</b>	<b>55,324</b>	<b>14,897</b>	<b>93,194</b>	<b>89,430</b>

The consolidated statement of financial activities includes the results of Nightingale Hammerson, The Friends of Nightingale House, Chalkford Limited and Camden Jewish Society.

All of the figures included in the above consolidated statement of financial activities derive from continuing activities of the charity and its subsidiaries.

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2021

		Unrestricted Funds			2021	2020
		General Fund	Designated Fund	Restricted Fund	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000
	Note					
<b>Income from:</b>						
Donations and legacies						
Revenue purposes (including Emergency Appeal)	2	2,346	-	180	<b>2,526</b>	4,410
Capital purposes	2	-	-	1,669	<b>1,669</b>	2,415
Investments and short term deposits	3	295	-	44	<b>339</b>	494
Charitable activities						
<i>Provision of residential and nursing care</i>	4	10,365	-	-	<b>10,365</b>	9,975
Government's infection control and furlough grants		24	-	589	<b>613</b>	486
Other sources		377	-	-	<b>377</b>	116
<b>Total Income</b>		<b>13,407</b>	<b>-</b>	<b>2,482</b>	<b>15,889</b>	<b>17,896</b>
<b>Expenditure on:</b>						
Raising funds						
Generating donations and legacies	5	399	-	-	<b>399</b>	637
Investment management costs		160	-	-	<b>160</b>	142
Charitable activities						
Provision of residential and nursing care	6	13,100	1,159	1,277	<b>15,536</b>	13,993
<b>Total expenditure</b>		<b>13,659</b>	<b>1,159</b>	<b>1,277</b>	<b>16,095</b>	<b>14,772</b>
Net (expenditure) / income for the year before transfers and gains (losses) on investments		<b>(252)</b>	<b>(1,159)</b>	<b>1,205</b>	<b>(206)</b>	<b>3,124</b>
Transfers between funds	19	(302)	4,108	(3,806)	-	-
Gains on investments						
Realised gains on disposal of investments	16	350	-	-	<b>350</b>	(322)
Unrealised gains on listed investments	16	3,114	-	-	<b>3,114</b>	1,637
<b>Net income (expenditure) for the year</b>		<b>2,910</b>	<b>2,949</b>	<b>(2,601)</b>	<b>3,258</b>	<b>4,439</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on pension scheme		770	-	-	<b>770</b>	(29)
<b>Net movement in funds</b>		<b>3,680</b>	<b>2,949</b>	<b>(2,601)</b>	<b>4,028</b>	<b>4,410</b>
Funds brought forward at 1 October 2020		19,271	54,597	17,509	<b>91,377</b>	86,967
<b>Funds carried forward 30 September 21</b>	21	<b>22,951</b>	<b>57,546</b>	<b>14,908</b>	<b>95,405</b>	<b>91,377</b>

All the figures included in the above statement of financial activities derive from continuing activities of the charity.

## BALANCE SHEET

As at 30 September 2021

		2021		2020	
	Note	Group	Charity	Group	Charity
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	14	52,056	54,291	46,524	48,473
Investments	16	28,441	28,442	24,804	24,805
		<b>80,497</b>	<b>82,733</b>	71,328	73,278
<b>Current assets</b>					
Debtors	17	3,888	4,531	5,867	6,211
Short term deposits		4,518	4,518	8,825	8,825
Cash at bank and in hand		5,351	5,312	6,311	6,292
		<b>13,757</b>	<b>14,361</b>	21,003	21,328
<b>Creditors:</b>					
amount falling due within one year	18	(2,976)	(3,605)	(4,047)	(4,375)
<b>Net current assets</b>		<b>10,781</b>	<b>10,756</b>	<b>16,956</b>	<b>16,953</b>
<b>Total assets less current liabilities</b>		<b>91,278</b>	<b>93,489</b>	88,284	90,231
Pension scheme asset	23	1,916	1,916	1,146	1,146
<b>Total net assets</b>		<b>93,194</b>	<b>95,405</b>	<b>89,430</b>	<b>91,377</b>
<b>Funds and reserves</b>					
<b>Charitable funds</b>					
Restricted funds	19	14,897	14,907	17,498	17,509
Unrestricted funds					
Designated funds					
Hammerson House building fund	20	-	-	3,549	3,549
Nightingale House building fund	20	8,500	8,500	8,500	8,500
Maintenance fund	20	3,500	3,500	3,500	3,500
Tangible fixed assets fund		43,324	45,546	37,113	39,048
		<b>55,324</b>	<b>57,546</b>	52,662	54,597
General fund		21,057	21,036	18,124	18,125
Pension reserve	23	1,916	1,916	1,146	1,146
	21	<b>93,194</b>	<b>95,405</b>	<b>89,430</b>	<b>91,377</b>

Approved by the directors of the corporate trustee  
And signed on their behalf by: Melvin Lawson



Director of corporate trustee  
Approved on: 31 March 2022

## CONSOLIDATED STATEMENTS OF CASH FLOW

For the year ended 30 September 2021

		<b>2021</b>	<b>2020</b>
		<b>£'000</b>	<b>£'000</b>
<b>Cash flows from operating activities</b>			
Net Cash (used in) provided by operating activities	A	<b>335</b>	168
<b>Cash flows from investing activities</b>			
Investment income		<b>347</b>	641
Income from capital fundraising		<b>3,806</b>	3,439
Purchase of tangible fixed assets		<b>(9,585)</b>	(17,928)
Proceeds from disposal of investments		<b>6,367</b>	22,299
Purchase of investments		<b>(6,342)</b>	(21,940)
<b>Net cashflow from investment activities</b>		<b>(5,407)</b>	<b>(13,489)</b>
Change in cash and cash equivalents in the year		<b>(5,072)</b>	(13,321)
Cash and cash equivalents at 1 October 2020		<b>15,621</b>	28,942
<b>Cash and cash equivalents at 30 September 2021</b>	B	<b>10,549</b>	<b>15,621</b>

### Notes to the consolidated statement of cash flows for the year to 30 Sept 2021

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net movements in funds (as per the statement of financial activities)</b>	<b>3,764</b>	3,497
Adjustments for:		
Depreciation charge	<b>1,840</b>	1,023
Gains on listed investments	<b>(3,464)</b>	(1,315)
Investment income	<b>(334)</b>	(489)
(Increase) decrease in value of pension asset	<b>(770)</b>	29
Income from capital fundraising	<b>(1,669)</b>	(2,415)
(Increase) decrease in debtors	<b>(173)</b>	(77)
Increase (decrease) in creditors	<b>1,141</b>	(85)
<b>Net cash (used in) provided by operating activities</b>	<b>335</b>	<b>168</b>

B Analysis of cash and cash equivalents

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	<b>5,351</b>	6,311
Short term deposits	<b>4,518</b>	8,825
Cash held with investment managers	<b>680</b>	485
<b>Total cash and cash equivalents</b>	<b>10,549</b>	<b>15,621</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1. PRINCIPAL ACCOUNTING POLICIES

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

#### **Basis of preparation**

These accounts have been prepared for the year to 30 September 2021 with comparative information given in respect to the year to 30 September 2020.

The accounts 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 accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) first issued on 16 July 2014 with second edition issued in October 2019, 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 accounts are presented in sterling and rounded to the nearest thousand pounds.

#### **Going Concern**

The directors, after reviewing the charity's financial performance, operating budget, investment plans, fundraising strategy and financial forecasts, consider that the charity have sufficient funding to continue to provide residential, nursing, dementia and palliative care for the foreseeable future. Given the impact of Covid-19 on the charity, the directors have assessed the prospects of the charity over a three-year period to September 2024. This has taken into account the business models, strategic aims, risks and mitigations of the micro and macro-economic factors as affecting the charity. Based on this assessment, the directors continue to adopt the going concern basis in preparing the accounts.

In determining the going concern basis of preparing the accounts for the year ended 30 September 2021, the directors are required to consider whether the charity can continue in operational existence for a period of at least 12 months from the approval of the accounts. As at 30 September 2021, the total assets less current liabilities was £91m while the total net assets was £93m. Liquidity as at that date was £10.5m made up of £5.3m cash and cash equivalents, £4.5m of short term deposits and £0.7m cash held with investment managers. The decrease in liquidity from prior year reflects the conversation of cash to capital with the completion of Hammerson House, Wohl Campus. The charity's new 116 bed care home means an increased income growth capacity.

In addition to the increased operational growth capacity, the charity:

- does not have or intend to have long term borrowings over the assessed period. Gearing ratio and interest cover in nil
- secured £0.6m from the government's covid grants in 2020-21 with additional funding announced for 2021-22

## NOTES TO THE FINANCIAL STATEMENTS

### 1. PRINCIPAL ACCOUNTING POLICIES (continued)

- Generated £1.5m proceeds from the disposal of Belmont Lodge post balance sheet date
- Created an Occupancy Committee to give greater focus on occupancy levels at both Nightingale and Hammerson House. The committee also manages the admissions waiting lists and expressions of interest lists for both care homes
- Set up a People and Remuneration Committee to oversee the implementation of the pay, reward, recruitment and retention strategy.
- Has also reviewed its fundraising plan for 2021-22, launching a matched funding campaign in the New Year.
- Has an investment portfolio, including investment property, of £28.4m as at 30 September 2021.

The directors have reviewed the continually evolving situation relating to Covid-19 and considered its longer term impacts for the next 12 months. The operating model also included some downside scenarios such as occupancy numbers falling below budget, higher pay rates, higher costs or lower fundraising income than projected. The impact of the downside scenarios were reviewed against the charity's projected cash position and investments. Should the worst case scenario occur, mitigating actions will include divesting part of the charity's investments to maintain the ideal liquidity level and financially viable in the going concern assessment period.

### Basis of consolidation

The statement of financial activities and balance sheet consolidate the accounts of the charity and its group undertakings (listed below) made up to the balance sheet date.

- Chalkford Limited, a UK trading subsidiary which is a property construction company.
- Friends of Nightingale House, a charitable trust no longer operational but having had the purpose of raising funds on behalf of Nightingale Hammerson.
- Camden Jewish Society, a charitable company limited by guarantee whose sole activity, until 31st December 2017, was the provision of sheltered accommodation and which is now dormant. Since 30 April 2015, Nightingale Hammerson has had management and voting control of Camden Jewish Society.

Intra-group transactions are eliminated in full.

### ***Critical accounting estimates and areas of judgement***

Preparation of the accounts requires the directors of the corporate trustee and management to make significant judgements and estimates.

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

- assessing the probability of the receipt of legacy income
- estimating accrued expenditure
- determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure
- estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

- estimating the market value of investment property
- assessing the recoverability of outstanding debtors for residential and care home fees
- assessing the appropriateness of the assumptions made by the actuary in arriving at the actuarial valuation of the charity's defined benefit pension scheme
- determining the value of designated funds set aside at the year end.

### Income recognition

Income is recognised in the period in which the group and/or charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

The group's main income source of income is from its charitable activities including care home residential, dementia and nursing fee income. Other income sources include donations, legacies, income from fundraising events, income from investments and interests from short term bank deposits and other sources.

Donations are recognised when the charity and/or group has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amounts are only accrued once formal pledge agreements are in place; if no such agreements exist the donations are recognised on receipt. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the amount can be reasonably estimated, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured, or estimated, reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity and/or group, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Charity.

Investment income is recognised once the dividend or similar income has been declared and notification has been received of the amount due.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

Interest on funds held on short term deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Interest on fixed interest, fixed term deposits is recognised evenly across the deposit term.

Fees for residential and nursing care are recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. They are measured at the fair value of the consideration received or receivable based on agreements with residents and funding agencies, excluding any relevant value added tax.

Income from other sources is measured at fair value and on an accruals basis.

#### ***Expenditure recognition***

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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings as described in Note 7. The classification between activities is as follows:

- Expenditure on raising funds includes: the salaries, direct costs and overheads associated with generating donated income and legacies; the fees paid to investment managers in connection with maintaining the portfolio of listed investments; and the expenditure of the Charity's trading subsidiary in the UK.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of charitable activities i.e. the provision of holistic quality care to older Jewish people. This includes expenditure on residential and nursing care and the depreciation of those assets used for care purposes.

All expenditure is stated inclusive of irrecoverable VAT.

#### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity, it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Support costs and governance costs are apportioned based on the allocation basis as described in Note 7 to these accounts.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

#### Tangible fixed assets

All items of furniture, fittings and equipment with a value in excess of £10,000 and which have an expected useful life exceeding one year are capitalised and depreciated. Depreciation is not charged on buildings under construction or on freehold land. The directors decided during the year to review its depreciation policy and apply component accounting to Hammerson House, Wohl Campus, development costs where costs could be componentised and measured. The depreciation charges applied to assets on a straight line basis over their estimated useful life are as below:

Property (Freehold and Leasehold):	Development substructure	100 years
	Development super structure	65 years
	Freehold property	25 to 50 years
	Development external works	30 years
	Development Mechanical and Engineering	25 years
	Development finishes, fittings (not loose)	20 years
	Café and kitchen	15 years
Plant:	Plant	10 years
Furniture, Equipment & Vehicles:	Loose fixtures and fittings	5 years
	Motor vehicles	4 years

#### 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. The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Properties held for investment are included in the accounts at their estimated current market value as determined by the directors of the corporate trustee after consultation with their professional property advisers.

Investments in UK trading subsidiaries are included in the accounts at cost with provision being made for any permanent diminution in value.

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 combined in the statement of financial activities and are credited (or debited) 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.

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

### **1. Principal Accounting Policy (continued)**

#### **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. Cash held by investment managers as part of their management strategy is included in fixed asset investments.

#### **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 structure**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the directors.

The designated funds are monies or assets set aside out of general funds and designated for specific purposes by the directors.

The tangible fixed assets fund represents the net book value of the tangible fixed assets used for the support of the work of the charity and/or group.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Non-charitable trading funds consist of the retained assets of activities conducted through non-charitable trading subsidiary.

#### **Pension contributions**

The charity has a defined benefits pension scheme which is closed to new members. The assets of the scheme are held and managed separately from those of the charity. Pension scheme assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any change in the asset or liability between balance sheet dates is reflected in the statement of financial activities in recognised gains and losses for the period.

The charity also contributes to the defined contributions scheme and contributions to the scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2. INCOME FROM DONATIONS AND LEGACIES

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2021 Total Funds</b>	<b>2020 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations (excludes gift aid)	1,206	180	<b>1,386</b>	3,222
Hammerson House capital fund	-	1,669	<b>1,669</b>	2,415
Legacies				
Revenue donations	898	-	<b>898</b>	320
Capital fund	-	-	-	-
<b>2021 Total Funds</b>	<b>2,104</b>	<b>1,849</b>	<b>3,953</b>	5,957
2020 Total Fund	3,304	2,653	5,957	

<b>Charity</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2021 Total Funds</b>	<b>2020 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations	1,448	180	<b>1,628</b>	4,090
Hammerson House capital fund	-	1,669	<b>1,669</b>	2,415
Legacies				
Revenue donations	898	-	<b>898</b>	320
Capital fund	-	-	-	-
<b>2021 Total Funds</b>	<b>2,346</b>	<b>1,849</b>	<b>4,195</b>	<b>6,825</b>
2020 Total Fund	4,172	2,653	6,825	

### 3. INCOME FROM INVESTMENTS

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2021 Total Funds</b>	<b>2020 Total Funds</b>
	£'000	£'000	£'000	£'000
Income from listed investments by fund manager				
Investment Income Veritas	96	-	<b>96</b>	144
Investment Income Schroders	142	44	<b>186</b>	193
Investment Income Goldman Sachs	-	-	-	44
	238	44	<b>282</b>	381
Rental income	8	-	<b>8</b>	8
Interest receivable	44	-	<b>44</b>	100
<b>2021 Total Funds</b>	<b>290</b>	<b>44</b>	<b>334</b>	489
2020 Total Fund	458	31	489	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 3. INCOME FROM INVESTMENTS (CONTINUED)

	General Fund	Restricted Fund	2021 Total Funds	2020 Total Funds
	£'000	£'000	£'000	£'000
<b>Charity</b>				
Income from listed investments by fund manager				
Investment Income Veritas	96	-	96	144
Investment Income Schroders	142	44	186	193
Investment Income Goldman Sachs	-	-	-	44
	238	44	282	381
Rental income	8	-	8	8
Interest receivable	49	-	49	105
<b>2021 Total Funds</b>	<b>295</b>	<b>44</b>	<b>339</b>	<b>494</b>
2020 Total Fund	463	31	494	

### 4. INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Restricted Fund	2021 Total Funds	2020 Total Funds
	£'000	£'000	£'000	£'000
<b>Group and charity</b>				
Maintenance contributions receivable	10,365	-	10,365	9,975
<b>Total maintenance contributions receivable</b>	<b>10,365</b>	<b>-</b>	<b>10,365</b>	<b>9,975</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5. EXPENDITURE ON GENERATING DONATIONS AND LEGACIES

	General Fund	Designated Fund	Restricted Fund	2021 Total Funds	2020 Total Funds
<b>Group and Charity</b>	£'000	£'000	£'000	£'000	£'000
Staff costs	208	-	-	<b>208</b>	313
Fundraising, legacy and appeal expenses	163	-	-	<b>163</b>	285
Support costs (Note 7)	28	-	-	<b>28</b>	39
<b>2021 Total Funds</b>	<b>399</b>	-	-	<b>399</b>	<b>637</b>
2020 Total Fund	637	-	-	637	

### 6. EXPENDITURE ON PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Designated Fund	Restricted Fund	2021 Total Funds	2020 Total Funds
<b>Group</b>	£'000	£'000	£'000	£'000	£'000
Staff costs	7,848	-	530	<b>8,378</b>	7,821
Catering and food	1,221	-	-	<b>1,221</b>	1,087
Premises day to day costs	1,472	-	7	<b>1,479</b>	1,219
Medical, care and welfare costs	488	-	59	<b>547</b>	832
Support costs (Note 7)	2,071	-	-	<b>2,071</b>	2,011
Depreciation (Note 14)	-	1,159	681	<b>1,840</b>	1,023
<b>2021 Total Funds</b>	<b>13,100</b>	<b>1,159</b>	<b>1,277</b>	<b>15,536</b>	<b>13,993</b>
2020 Total Fund	12,619	339	1,035	13,993	

	General Fund	Designated Fund	Restricted Fund	2021 Total Funds	2020 Total Funds
<b>Charity</b>	£'000	£'000	£'000	£'000	£'000
Staff costs	7,848	-	530	<b>8,378</b>	7,821
Catering and food	1,221	-	-	<b>1,221</b>	1,087
Premises day to day costs	1,472	-	7	<b>1,479</b>	1,219
Medical, care and welfare costs	488	-	59	<b>547</b>	832
Support costs (Note 7)	2,071	-	-	<b>2,071</b>	2,011
Depreciation (Note 14)	-	1,159	681	<b>1,840</b>	1,023
<b>2021 Total Funds</b>	<b>13,100</b>	<b>1,159</b>	<b>1,277</b>	<b>15,536</b>	<b>13,993</b>
2020 Total Fund	12,619	339	1,035	13,993	

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 7. SUPPORT COSTS

The support costs and the basis of their allocation were:

	Generating donations and legacies	Provisions of residential and nursing care	Total	Basis of apportionment
<b>Group and Charity</b>	£'000	£'000	<b>£'000</b>	
Support Staff Cost	14	1,196	<b>1,210</b>	Head count
Administrative and Governance costs Information and Communication Technology	2	130	<b>132</b>	Head count
Insurance	4	244	<b>248</b>	Head count
Human Resources and Volunteering	3	188	<b>191</b>	Head count
	5	313	<b>318</b>	Head count
<b>2020 Total - Group and Charity</b>	<b>28</b>	<b>2,071</b>	<b>2,099</b>	

### 8. UK TRADING SUBSIDIARY

Nightingale Hammerson owns the entire called up ordinary share capital of Chalkford Limited, a property construction company (company registration number 01001396).

	2021	2020
	£'000	£'000
<b>Chalkford Limited</b>		
Turnover	<b>5,718</b>	19,192
Cost of sales	<b>(5,450)</b>	(18,271)
Administrative expenses	<b>(21)</b>	(48)
Operating profit	<b>247</b>	873
Interest payable	<b>(5)</b>	(5)
Profit before Gift Aid	<b>242</b>	868
Amount donated to Nightingale Hammerson	<b>(242)</b>	(868)
Retained profit	-	-

At 30 September 2021, Chalkford Limited had retained losses of £1k (2020: retained losses of £1k) and called up share capital of £1k (2020: £1k). The results and the balance sheet figures have been consolidated on a line by line basis within the accounts of Nightingale Hammerson.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 9. NET EXPENDITURE ON INCOMING RESOURCES FOR THE YEAR

This is stated before transfers but after charging:

	General Fund	Designated Fund	Restricted Fund	2021 Total Funds	2020 Total Funds
<b>Group</b>	£'000	£'000	£'000	<b>£'000</b>	£'000
Staff costs (Note 10)	9,266	-	530	<b>9,796</b>	9,237
Auditor's remuneration:					
Audit services- relating to current year	34	-	-	<b>34</b>	33
Audit services- relating to prior year	8	-	-	<b>8</b>	33
Other services	5	-	-	<b>5</b>	5
Depreciation (Note 14)	-	1,159	681	<b>1,840</b>	1,023

	General Fund	Designated Fund	Restricted Fund	2021 Total Funds	2020 Total Funds
<b>Charity</b>	£'000	£'000	£'000	<b>£'000</b>	£'000
Staff costs (Note 10)	9,266	-	530	<b>9,796</b>	9,237
Auditor's remuneration:					
Audit services- relating to current year	31	-	-	<b>31</b>	30
Audit services- relating to prior year	8	-	-	<b>8</b>	-
Other services	4	-	-	<b>4</b>	4
Depreciation (Note 14)	-	1,159	681	<b>1,840</b>	1,023

### 10. STAFF COSTS

	2021	2020
<b>Group and charity</b>	<b>£'000</b>	£'000
Wages and salaries	<b>7,984</b>	7,732
Social security costs	<b>734</b>	706
Other Pension costs	<b>222</b>	222
	<b>8,940</b>	8,660
Payments to agency	<b>832</b>	517
Redundancy costs	<b>24</b>	60
	<b>9,796</b>	9,237

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10. STAFF COSTS (Continued)

Of payments to agency staff, £520k (2020: £380k) represents payments in respect of one to one care provision. These costs were covered by one to one care fee income.

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) were as follows:

	2021	2020
£60,000 - £70,000	3	2
£70,001 - £80,000	-	2
£80,001 - £90,000	2	1
£90,001 - £100,000	1	1
£110,001 - £120,000	1	1

Of those employees who earned £60,000 or more during the year (as defined above), employer contributions totalling £33,321 (2020: £31,625) were made to defined contribution schemes in respect of six (2020: seven) of them. No contributions were made to defined benefit schemes (2020: £nil).

The total remuneration, including benefits, employers pension contributions and employers national insurance contributions, paid to key management personnel in the year was £535k (2020: £647k).

The average number of employees, excluding agency staff, analysed by function, was:

	2021	2020
Generating funds	4	6
Residential and nursing care services	342	327
	346	333

### 11. TRUSTEES' REMUNERATION AND EXPENSES

No director received any remuneration or expenses from the group or charity during the year (2020 - £nil).

The nature of the charity's activities means that from time to time relatives of the directors of the corporate trustee or staff may be cared for by the Charity. In 2021, one director of the corporate trustee had a relative cared for by the charity and all fees were set at arm's length (2020: one).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 12. INDEMNITY INSURANCE

The insurance provides cover up to £5 million (2020 - £10 million) and the total premium paid in respect of such insurance was £39.2k (2020 - £18.5k). The cost of this insurance is included in the total insurance cost.

### 13. TAXATION

Nightingale Hammerson and Camden Jewish Society are registered charities and therefore are not liable to income tax or capital gains tax on income or gains derived from their charitable activities, as they fall within the various exemptions available to registered charities.

Chalkford Limited donates any taxable profits to Nightingale Hammerson via Gift Aid each year.

### 14. TANGIBLE FIXED ASSETS

	Property (freehold & leasehold)	Assets under Construction	Plant	Furniture, Equipment and Vehicles	2021 Total
Group	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 October 2020	45,725	33,685	1,437	1,819	<b>82,666</b>
Additions	-	5,454	316	1,602	<b>7,372</b>
Transfer from WIP to Property	39,139	(39,139)	-	-	-
At 30 September 2021	<b>84,864</b>	-	<b>1,753</b>	<b>3,421</b>	<b>90,038</b>
<b>Depreciation</b>					
At 1 October 2020	34,134	-	624	1,384	<b>36,142</b>
Charge	1,436	-	132	272	<b>1,840</b>
Disposals	-	-	-	-	-
At 30 September 2021	<b>35,570</b>	-	<b>756</b>	<b>1,656</b>	<b>37,982</b>
<b>Net book values</b>					
At 30 September 2021	<b>49,294</b>	-	<b>997</b>	<b>1,765</b>	<b>52,056</b>
At 30 September 2020	11,591	33,685	813	435	<b>46,524</b>

Of the Property (freehold & leasehold) cost, £39m represents leasehold property.

Assets under construction comprise the major development of Hammerson House, Wohl Campus, which was completed during the year. No value has been attributed to the leasehold land of the Hammerson House, Wohl Campus, site as lease covenants require its use as a residential care facility.

Within the fixed assets is a property, Belmont Lodge, with net book value of £690k. Prior to the balance sheet date, trustees decided to market it for sale as it is surplus to requirement. This sale was completed post year end (see Note 25).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14. TANGIBLE FIXED ASSETS (CONTINUED)

	<b>Property (freehold &amp; leasehold)</b>	<b>Assets under Construction</b>	<b>Plant</b>	<b>Furniture, Equipment and Vehicles</b>	<b>2021 Total</b>
<b>Charity</b>	£'000	£'000	£'000	£'000	<b>£'000</b>
<b>Cost</b>					
At 1 October 2020	46,075	35,271	1,498	1,860	<b>84,704</b>
Additions	22	5,718	316	1,602	<b>7,658</b>
Transfer from WIP to Property	40,989	(40,989)	-	-	-
At 30 September 2021	<b>87,086</b>	-	<b>1,814</b>	<b>3,462</b>	<b>92,362</b>
<b>Depreciation</b>					
At 1 October 2020	34,158	-	650	1,423	<b>36,231</b>
Charge	1,436	-	132	272	<b>1,840</b>
Disposals	-	-	-	-	-
At 30 September 2021	<b>35,594</b>	-	<b>782</b>	<b>1,695</b>	<b>38,071</b>
<b>Net book values</b>					
At 30 September 2021	<b>51,492</b>	-	<b>1,032</b>	<b>1,767</b>	<b>54,291</b>
At 30 September 2020	<b>11,917</b>	<b>35,271</b>	<b>848</b>	<b>437</b>	<b>48,473</b>

Of the Property (freehold & leasehold) cost, £41m represents leasehold property.

### 15. FINANCIAL COMMITMENTS

At 30 September 2021, the charity had £4m financial commitment that had been authorised but not contracted for to refurbish Nightingale House (2020: £nil). There was no financial commitment contracted for but which had not been provided for (2020 – £8.4m, in relation to Hammerson House, Wohl Campus).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS

	Investment Property	Listed Investments	2021 Total	2020 Total
<b>Group</b>	£'000	£'000	£'000	£'000
Market value at 1 October 2020	300	24,019	24,319	23,363
Additions at cost	-	6,342	6,342	21,940
Disposals at book value (proceeds:£6.3m with realised gain of £0.35m)	-	(5,995)	(5,995)	(22,621)
Reclassification from cash	-	-	-	-
Net unrealised investment gains	30	3,084	3,114	1,637
<b>Market value at 30 September 2021</b>	<b>330</b>	<b>27,450</b>	<b>27,780</b>	<b>24,319</b>
Cash awaiting investment	-	661	661	485
<b>Market value at 30 September 2021</b>	<b>330</b>	<b>28,111</b>	<b>28,441</b>	<b>24,804</b>
Cost of Investments at 30 September 2021	238	21,176	21,414	20,585

	Shares in subsidiary company	Investment Property	Listed Investments	2021 Total	2020 Total
<b>Charity</b>	£'000	£'000	£'000	£'000	£'000
Market value at 1 October 2020	1	300	24,019	24,320	23,364
Additions at cost	-	-	6,342	6,342	21,940
Disposals at book value (proceeds:£6.34m with realised gain of £0.35m)	-	-	(5,995)	(5,995)	(22,621)
Reclassification cash	-	-	-	-	-
Net unrealised investment gains	-	30	3,084	3,114	1,637
<b>Market value at 30 September 2021</b>	<b>1</b>	<b>330</b>	<b>27,450</b>	<b>27,781</b>	<b>24,320</b>
Cash awaiting investment	-	-	661	661	485
<b>Market value at 30 September 2021</b>	<b>1</b>	<b>330</b>	<b>28,111</b>	<b>28,442</b>	<b>24,805</b>
Cost of Investments at 30 September 2021	1	238	21,176	21,415	20,586

#### Listed Investments

All listed investments are dealt in on a recognised stock exchange.

Listed Investments held at 30 September 2021 comprised the following:

	Listed Investments	2021 Total	2020 Total	2020 Total
<b>Group and Charity</b>	%	£'000	£'000	%
Fixed Interest	18%	5,060	4,963	21%
Equities	69%	19,397	15,913	66%
Alternatives	9%	2,530	2,455	10%
Multi-assets funds	2%	463	402	2%
Cash Instalments and unit funds	2%	661	286	1%
	100%	28,111	24,019	100%

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS (CONTINUED)

At 30 September 2021, the following investments holdings had a material value when compared to the market value of the total portfolio of listed investments as at that date.

	<b>Listed Investments</b>	<b>2021 Total</b>	<b>2020 Total</b>	<b>2020 Total</b>
<b>Group and Charity</b>	%	<b>£'000</b>	£'000	%
Vanguard FTSE All-World UCITS ETF	4.5%	<b>1,273</b>	2,588	22%

#### Investment property

Investment property comprises of a long leasehold flat in a property situated in North London purchased by the charity during the year ended 30 September 2014. The directors of the corporate trustee have valued the property based upon information publicly available relating to similar properties in the same location.

#### Subsidiary Undertaking

At 30 September 2021, Nightingale Hammerson owned the entire called up share capital of the following company:

<b>Company</b>	<b>Country of incorporation</b>	<b>Principal activity during the year</b>
Chalkford Limited	England	Property development

### 17. DEBTORS

	<b>2021</b>		<b>2020</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	£'000	£'000
Maintenance contributions	<b>1,345</b>	<b>1,345</b>	689	689
Amount due from subsidiary undertaking (Note 24)	-	<b>643</b>	-	1,268
Legacies receivable	<b>669</b>	<b>669</b>	101	101
Donations pledged	<b>1,522</b>	<b>1,522</b>	3,659	3,659
Other accrued income	-	-	14	14
Other debtors	<b>265</b>	<b>265</b>	504	419
Prepayments	<b>53</b>	<b>53</b>	61	61
VAT debtor	<b>34</b>	<b>34</b>	839	-
	<b>3,888</b>	<b>4,531</b>	<b>5,867</b>	<b>6,211</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 18. CREDITORS – AMOUNT FALLING DUE WITHIN ONE YEAR

	2021		2020	
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Amounts held on behalf of residents	670	670	473	473
Maintenance contributions received in advance	517	517	310	310
Expense creditors	399	399	187	187
Capital creditors	-	-	2,212	-
Social security and other taxation	219	219	184	184
Other creditors	66	66	311	311
Accruals	1,105	498	370	370
Amount due to subsidiary undertaking (Note 24)	-	1,236	-	2,540
	<b>2,976</b>	<b>3,605</b>	4,047	4,375

### 19. RESTRICTED FUNDS

The income funds of the group and charity include restricted funds comprising the following balances of donations and grants held on trusts to be applied for specific purposes:

	At 1				At 30
	October	Income	Expenditure	Transfer	September
Group	2020	£'000	£'000	£'000	2021
	£'000	£'000	£'000	£'000	£'000
Nightingale House Fixed Assets Fund	9,412	-	(681)	-	8,731
Nightingale House Capital Fund	600	-	-	-	600
Hammerson House Capital Fund	3,659	1,669	-	(3,806)	1,522
Weinberg Funds	3,219	44	-	-	3,263
Donations Special Purpose	304	168	-	-	472
Janet and Howard Bloch funds	233	-	-	-	233
Nursery fund	3	-	(3)	-	-
Intergenerational fund	31	-	-	-	31
Infection control Grant	-	589	(589)	-	-
Other restricted funds	37	12	(4)	-	45
	<b>17,498</b>	<b>2,482</b>	<b>(1,277)</b>	<b>(3,806)</b>	<b>14,897</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 19. RESTRICTED FUNDS (continued)

	At 1 October 2020	Income	Expenditure	Transfer	At 30 September 2021
<b>Charity</b>	£'000	£'000	£'000	£'000	£'000
Nightingale House Fixed Assets Fund	9,426	-	(681)	-	8,745
Nightingale House Capital Fund	600	-	-	-	600
Hammerson House Capital Fund	3,659	1,669	-	(3,806)	1,522
Weinberg Funds	3,219	44	-	-	3,263
Donations Special Purpose	304	168	-	-	472
Janet and Howard Bloch funds	232	-	-	-	232
Nursery fund	3	-	(3)	-	-
Intergenerational fund	31	0	-	-	31
Infection control Grant	-	589	(589)	-	-
Other restricted funds	35	12	(4)	-	43
	<b>17,509</b>	<b>2,482</b>	<b>(1,277)</b>	<b>(3,806)</b>	<b>14,908</b>

#### **Nightingale House Fixed Assets Fund**

This fund comprises the net book value of buildings and equipment used for the operation of Nightingale House, purchased with restricted funds. Each year the depreciation on these assets is charged to the fund.

#### **Nightingale House Capital Fund**

This fund comprises monies donated specifically towards the construction and development of new building projects on the site of Nightingale House which are as yet unspent.

#### **Hammerson House Capital Fund**

This fund comprise donations pledged specifically for the redevelopment of Hammerson House and as yet unspent.

#### **Weinberg Funds**

These funds were donated by The Harry and Jeanette Weinberg Fund and are held for the purpose of substantially upgrading the charity's care homes for the elderly at both Nightingale House and Hammerson House.

#### **Donations Special Purpose**

These funds comprise donations received towards a specific purpose.

#### **Janet and Howard Bloch funds**

These funds comprise monies to be used to provide additional services for the residents, specifically in terms of activities, and the provision of training.

#### **Nursery Fund**

This fund comprises the proportion of the construction costs of the Apples & Honey Nursery building that have been funded by Apples & Honey. Depreciation on the nursery building is charged to the fund each year.

#### **Intergenerational Fund**

This comprises monies received specifically for operation of the intergenerational programme.

#### **Infection control Grant**

Government grant received to provide support with Covid-19 infection control costs

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 20. DESIGNATED FUNDS

The income funds of the group and charity include the following designated funds which have been set aside for major capital projects:

	At 1 October 2020	New designations and transfers	Utilised / released	At 30 September 2021
<b>Group</b>	£'000	£'000	£'000	£'000
Hammerson House building fund	3,549	(1,648)	(1,901)	-
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	15,549	(1,648)	(1,901)	<b>12,000</b>
Hammerson House tangible fixed assets fund	33,685	5,454	(632)	<b>38,507</b>
Nightingale House tangible fixed assets fund	3,428	1,916	(527)	<b>4,817</b>
	<b>52,662</b>	<b>5,722</b>	<b>(3,060)</b>	<b>55,324</b>

	At 1 October 2020	New designations and transfers	Utilised / released	At 30 September 2021
<b>Charity</b>	£'000	£'000	£'000	£'000
Hammerson House building fund	3,549	(1,912)	(1,637)	-
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	15,549	(1,912)	(1,637)	<b>12,000</b>
Hammerson House tangible fixed assets fund	35,271	5,718	(632)	<b>40,357</b>
Nightingale House tangible fixed assets fund	3,777	1,939	(527)	<b>5,189</b>
	<b>54,597</b>	<b>5,745</b>	<b>(2,796)</b>	<b>57,546</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 20. DESIGNATED FUNDS (CONTINUED)

#### *Hammerson House building fund*

This was fund set aside by the directors for the redevelopment of Hammerson House, Wohl Campus. This was duly allocated or released at the year-end given the completion of Hammerson House, Wohl Campus development

#### *Nightingale House building fund*

This comprises monies set aside by the directors to provide funds for redevelopment at Nightingale House.

#### *Maintenance fund*

This comprises monies set aside by the directors to provide funds for the ongoing building maintenance of our homes.

#### *Hammerson House tangible fixed assets fund*

This fund comprises the net book value of the fixed assets related to Hammerson House, used for the operation and designated. Every year, depreciation charges is allocated against this fund.

#### *Nightingale House tangible fixed assets fund*

The tangible fixed assets fund comprises the net book value of the charity's tangible fixed assets (excluding those accounted for the Nightingale House Fixed Assets Restricted Fund). A decision was made by the directors to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day to day work of the charity and group and hence the fund value would not be easily realisable if needed to meet future contingencies.

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<b>General funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>2021 Total</b>
<b>Group</b>	£'000	£'000	£'000	<b>£'000</b>
<b>Fund balances at 30 September 2021 are represented by:</b>				
Tangible fixed assets	-	43,325	8,731	<b>52,056</b>
Investments	24,033	1,145	3,263	<b>28,441</b>
Current assets	-	10,854	2,903	<b>13,757</b>
Current liabilities	(2,976)	-	-	<b>(2,976)</b>
Pension scheme asset	1,916	-	-	<b>1,916</b>
<b>Total net assets</b>	<b>22,973</b>	<b>55,324</b>	<b>14,897</b>	<b>93,194</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	General funds	Designated funds	Restricted funds	2021 Total
<b>Charity</b>	£'000	£'000	£'000	<b>£'000</b>
<b>Fund balances at 30 September 2021 are represented by:</b>				
Tangible fixed assets	-	45,547	8,744	<b>54,291</b>
Investments	24,641	538	3,263	<b>28,442</b>
Current assets	-	11,461	2,900	<b>14,361</b>
Current liabilities	(3,605)	-	-	<b>(3,605)</b>
Pension scheme asset	1,916	-	-	<b>1,916</b>
<b>Total net assets</b>	<b>22,952</b>	<b>57,546</b>	<b>14,907</b>	<b>95,405</b>

### 22. ANALYSIS OF UNREALISED GAINS / LOSSES

	General funds	Designated funds	Restricted funds	2021 Total
<b>Group and Charity</b>	£'000	£'000	£'000	<b>£'000</b>
Accumulated gains on listed investments	6,140	-	795	<b>6,935</b>
Accumulated gains on property	92	-	-	<b>92</b>
<b>Total</b>	<b>6,232</b>	<b>-</b>	<b>795</b>	<b>7,027</b>
Reconciliation of movements in unrealised gains (losses)				
Unrealised gains at 1 October 2020	5,159	-	315	<b>5,474</b>
Less: cumulative unrealised losses released from disposals	(1,382)	-	(179)	<b>(1,561)</b>
Add: Net unrealised gains on listed investments unrealised gains in year	2,757	-	357	<b>3,114</b>
Reallocation between funds in year	(302)	-	302	<b>-</b>
<b>Accumulated unrealised gains</b>	<b>6,232</b>	<b>-</b>	<b>795</b>	<b>7,027</b>

### 23. PENSION COMMITMENTS

Nightingale Hammerson operates a defined benefit scheme for certain former employees, providing benefits based on final pensionable pay. It also contributes to personal pension plans for current employees.

The defined benefit scheme is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 March 2020 and updated to 30 September 2021 by a qualified actuary and in line with FRS 102. The major assumptions used by the actuary are shown below.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

This most recent actuarial valuation showed a shortfall of £15,000 (2020: surplus of £350,000) however, no additional contributions were required to correct the shortfall. This is because it was estimated that the Scheme was in surplus at the date of recovery plan. As there are no active members accruing benefits within the scheme, no further contributions are payable. The employer has agreed to meet all expenses of the scheme and levies to the Pension Protection Fund, other than investment management charges which are borne by the Scheme.

<b>Present values of defined benefit obligation, fair value of assets and defined benefit asset</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Fair value of plan assets	<b>5,507</b>	5,107
Present value of defined benefit obligation	<b>(3,591)</b>	(3,961)
Defined benefit asset at 30 September	<b>1,916</b>	1,146

<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Defined benefit obligation at start of period	<b>3,961</b>	3,961
Interest expense	<b>62</b>	70
Actuarial losses	<b>(309)</b>	50
Benefits paid and expenses	<b>(123)</b>	(120)
Losses due to past service costs	-	-
Defined benefit obligation at end of period	<b>3,591</b>	3,961

Following the judgement of the High Court on 20 November 2020, transfers out of the Scheme between May 1990 and October 2018 need to be revisited and equalised for GMP (if applicable). To be consistent with last year's disclosures, a 1.61% GMP equalisation has been applied to the liabilities to allow for the impact on liabilities from the GMP equalisation ruling. Post the year end date, the Pension Trustees engaged the actuary to estimate the potential increase liabilities, in line with IAS 19, as a result of the GMP ruling. It was concluded that as there have been no transfers out during the period, no allowance for the impact of GMP Equalisation for historic transfer values will be required going forward.

<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Fair value of plan assets at start of period	<b>5,107</b>	5,136
Interest income	<b>81</b>	91
Actuarial gains / (losses)	<b>442</b>	-
Benefits paid and expenses	<b>(123)</b>	(120)
Fair value of plan assets at end of period	<b>5,507</b>	5,107

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

The actual return on the plan assets over the period ended 30 September 2021 was £523k (2020: £91k).

	<b>At 30 September 2021 £'000</b>	<b>At 30 September 2020 £'000</b>
<b>Defined benefit costs recognised in other comprehensive income</b>		
Gain / (loss) on plan assets (excluding amounts included in net interest cost)	<b>442</b>	-
Experience gain arising on plan liabilities	<b>316</b>	17
Gain resulting from changes in the demographic and financial assumptions underlying the present value of plan liabilities	<b>(7)</b>	(67)
Gain / (loss) from changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	<b>(751)</b>	50
Total gain recognised in other comprehensive income	<b>-</b>	-
	<b>At 30 September 2021 £'000</b>	<b>At 30 September 2020 £'000</b>
<b>Assets</b>		
UK Equities	<b>1,676</b>	828
Overseas Equities	<b>1,637</b>	1,719
Corporate Bonds	-	2,312
Government Bonds	<b>1,740</b>	229
Alternatives	<b>384</b>	-
Cash / Other	<b>70</b>	19
<b>Total Assets</b>	<b>5,507</b>	5,107

In the year, changes were made to the pension fund managers and new managers appointed. As at the balance sheet date, all assets had been liquidated and transferred to the new fund managers. None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

<b>Assumptions</b>	<b>At 30 September 2021 %</b>	<b>At 30 September 2020 restated %</b>
Discount Rate	<b>2.00</b>	1.60
Inflation (RPI)	<b>3.60</b>	3.00
Salary growth		
Allowance for revaluation of deferred pensions of RPI or 5% if less	<b>3.60</b>	3.00
Allowance for revaluation of deferred pensions of RPI or 2.5% if less	<b>2.50</b>	2.50
Allowance for pension in payment increases of RPI or 5% if less	<b>3.40</b>	2.90
Allowance for pension in payment increases of RPI or 2.5% if less	<b>2.20</b>	2.00
Allowance for commutation of pension for cash at retirement	<b>25% of capitalised value of member's pension commuted for cash</b>	25% of capitalised value of member's pension commuted for cash
The mortality assumptions adopted at 30 September 2021 imply the following life expectancies at age 65:	<b>2021</b>	<b>2020</b>
<b>Retiring today / current pensioners</b>		
Males	<b>22.3</b>	21.8
Females	<b>24.1</b>	23.7
<b>Retiring in 20 years / future pensioners</b>		
Males	<b>23.6</b>	23.1
Females	<b>25.6</b>	25.2

The best estimate of contributions to be paid by the employer to the scheme for the period commencing 1 October 2021 is £nil (2020: £nil). Any expenses of the scheme, other than investment management costs, are expected to be met directly by the employer or reimbursed by the employer if paid by the scheme.

#### **Personal Pension Plans and auto enrolment Schemes**

The total pension cost in respect to personal pension plans and auto enrolment schemes for the year was £0.22m (2020 - £0.22m).

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

### **24. RELATED PARTY TRANSACTIONS**

#### **Chalkford Limited**

Chalkford Limited became a wholly owned subsidiary of Nightingale House on 2 March 2004 and continues as a wholly owned subsidiary of Nightingale Hammerson post-merger. Two directors of Nightingale Hammerson Trustee Company Limited, Harvey Rosenblatt and David Winton are also directors of Chalkford Limited.

Chalkford Limited made charitable contributions of £0.24m to Nightingale Hammerson during the year to 30 September 2021 (2020 - £0.87m). At 30 September 2021 Chalkford Limited owed Nightingale Hammerson £0.40m (2020: £0.40m) in accordance with a loan facility and a further £0.24m (2020: £0.87m) being charitable contributions payable to Nightingale Hammerson in respect to the year ended 30 September 2021. At 30 September 2021, Nightingale Hammerson owed Chalkford Limited £1.24m (2020: £2.54m) under a contract for the construction of property.

#### **Camden Jewish Society**

Camden Jewish Society was amalgamated into Nightingale Hammerson under a deed of collaboration on 1 May 2015 and remains as such. On 31 December 2017, the activities, assets and liabilities of Camden Jewish Society were transferred to Nightingale Hammerson Trustee Company. The charity has remained dormant from this date.

#### **Trustees donations**

During the year the charity received donations totalling £478,746 from 11 of the charity's Trustees and organisations to which they are connected (2020 - £228,726 from 12 trustees and connected organisations). In addition, £53,000 (2020 - £127,500) was received from the Vice President and organisations to which she is connected.

### **25. POST BALANCE SHEET EVENTS**

After the balance sheet date, the charity completed the sale of Belmont Lodge for £1.5m.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS

#### Consolidated Statement of Financial Activities

	Unrestricted Funds			2020 Total Funds
	General Fund	Designated Fund	Restricted Fund	
	£'000	£'000	£'000	£'000
<b>Income from:</b>				
Donations and legacies				
Revenue purposes (including Emergency Appeal)	3,304	-	238	<b>3,542</b>
Capital purposes	-	-	2,415	<b>2,415</b>
Investments and short term deposits	458	-	31	<b>489</b>
Charitable activities				
<i>Provision of residential and nursing care</i>	9,975	-	-	<b>9,975</b>
Government's infection control and furlough grants	156	-	330	<b>486</b>
Other sources	76	-	-	<b>76</b>
<b>Total income</b>	<b>13,969</b>	<b>-</b>	<b>3,014</b>	<b>16,983</b>
<b>Expenditure on:</b>				
<i>Raising funds</i>				
Generating donations and legacies	637	-	-	<b>637</b>
Investment management costs	142	-	-	<b>142</b>
Expenditure of UK trading subsidiary	-	-	-	-
<i>Charitable activities</i>				
Provision of residential and nursing care	12,619	339	1,035	<b>13,993</b>
<b>Total expenditure</b>	<b>13,398</b>	<b>339</b>	<b>1,035</b>	<b>14,772</b>
<b>Net income / (expenditure) for the year before transfers and gains (losses) on investments</b>	<b>571</b>	<b>(339)</b>	<b>1,979</b>	<b>2,211</b>
Transfers between funds	(1,487)	4,926	(3,439)	-
Gains (losses) on investments	-	-	-	-
Realised (losses) on disposal of investments	(322)	-	-	<b>(322)</b>
Unrealised gains on listed investments	1,637	-	-	<b>1,637</b>
FX movements on currency swaps	-	-	-	-
<b>Net income (expenditure) for the year</b>	<b>399</b>	<b>4,587</b>	<b>(1,460)</b>	<b>3,526</b>
<b>Other recognised gains and losses</b>				
Actuarial (losses) on pension scheme	(29)	-	-	<b>(29)</b>
<b>Net movement in funds</b>	<b>370</b>	<b>4,587</b>	<b>(1,460)</b>	<b>3,497</b>
Funds brought forward at 1 October 2019	18,900	48,075	18,958	<b>85,933</b>
<b>Funds carried forward 30 September 2020</b>	<b>19,270</b>	<b>52,662</b>	<b>17,498</b>	<b>89,430</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### Charity Statement of Financial Activities

		<b>Unrestricted Funds</b>			
		<b>General Fund</b>	<b>Designated Fund</b>	<b>Restricted Fund</b>	<b>2020 Total Funds</b>
		£'000	£'000	£'000	£'000
Note					
	<b>Income from:</b>				
	Donations and legacies				
	Revenue purposes (including Emergency Appeal)	4,172	-	238	<b>4,410</b>
	Capital purposes	-	-	2,415	<b>2,415</b>
	Investments and short term deposits	463	-	31	<b>494</b>
	Charitable activities				
	<i>Provision of residential and nursing care</i>	9,975	-	-	<b>9,975</b>
	Government's infection control and furlough grants	156	-	330	<b>486</b>
	Other sources	116	-	-	<b>116</b>
	<b>Total income</b>	<b>14,882</b>	<b>-</b>	<b>3,014</b>	<b>17,896</b>
	<b>Expenditure on:</b>				
	<i>Raising funds</i>				
	Generating donations and legacies	637	-	-	<b>637</b>
	Investment management costs	142	-	-	<b>142</b>
	<i>Charitable activities</i>	-	-	-	
	Provision of residential and nursing care	12,619	339	1,035	<b>13,993</b>
	<b>Total expenditure</b>	<b>13,398</b>	<b>339</b>	<b>1,035</b>	<b>14,772</b>
	Net income /(expenditure) for the year before transfers and gains (losses) on investments	<b>1,484</b>	<b>(339)</b>	<b>1,979</b>	<b>3,124</b>
	Transfers between funds	(2,397)	5,836	(3,439)	-
	Gains (losses) on investments				
	Realised (losses) on disposal of investments	(322)	-	-	<b>(322)</b>
	Unrealised gains on listed investments	1,637	-	-	<b>1,637</b>
	FX movements on currency swaps	-	-	-	-
	<b>Net income (expenditure) for the year</b>	<b>402</b>	<b>5,497</b>	<b>(1,460)</b>	<b>4,439</b>
	<b>Other recognised gains and losses</b>				
	Actuarial gains / losses on pension scheme	(29)	-	-	<b>(29)</b>
	<b>Net movement in funds</b>	<b>373</b>	<b>5,497</b>	<b>(1,460)</b>	<b>4,410</b>
	Funds brought forward at 1 October 2019	18,898	49,100	18,969	<b>86,967</b>
	<b>Funds carried forward 30 September 20</b>	<b>19,271</b>	<b>54,597</b>	<b>17,509</b>	<b>91,377</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### Income from donations and legacies

Group			2020 Total
	General Fund	Restricted Fund	Funds
	£'000	£'000	£'000
Donations:			
Revenue donations (excludes gift aid)	2,984	238	3,222
Hammerson House capital fund	-	2,415	2,415
Legacies			
Revenue donations	320	-	320
Capital fund	-	-	-
<b>2020 Total Funds</b>	<b>3,304</b>	<b>2,653</b>	<b>5,957</b>
2019 Total Fund	1,413	11,509	12,922
	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2020 Total</b>
	£'000	£'000	<b>Funds</b>
			<b>£'000</b>
<b>Charity</b>			
Donations:			
Revenue donations	3,852	238	4,090
Hammerson House capital fund	-	2,415	2,415
Legacies			
Revenue donations	320	-	320
Capital fund	-	-	-
<b>2020 Total Funds</b>	<b>4,172</b>	<b>2,653</b>	<b>6,825</b>
2019 Total Fund	1,964	11,509	13,473

#### Income from investments

Group			2020 Total
	General Fund	Restricted Fund	Funds
	£'000	£'000	£'000
Income from listed investments by fund manager:			
Investment Income Veritas	144	-	144
Investment Income Schroders	168	25	193
Investment Income Goldman Sachs	38	6	44
	350	31	381
Rental income	8	-	8
Interest receivable	100	-	100
<b>2020 Total Funds</b>	<b>458</b>	<b>31</b>	<b>489</b>
2019 Total Fund	697	68	765
	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2020 Total</b>
	£'000	£'000	<b>Funds</b>
			<b>£'000</b>
<b>Charity</b>			
Income from listed investments by fund manager:			
Investment Income Veritas	144	-	144
Investment Income Schroders	168	25	193
Investment Income Goldman Sachs	38	6	44
	350	31	381
Rental income	8	-	8
Interest receivable	105	-	105
<b>2020 Total Funds</b>	<b>463</b>	<b>31</b>	<b>494</b>
2019 Total Fund	702	68	770

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Restricted Fund	2020 Total Funds
<b>Group and charity</b>	£'000	£'000	£'000
Maintenance contributions receivable	9,975	-	9,975
<b>Total maintenance contributions receivable</b>	<b>9,975</b>	<b>-</b>	<b>9,975</b>

#### EXPENDITURE ON GENERATING DONATIONS AND LEGACIES

	General Fund	Designated Fund	Restricted Fund	2020 Total Funds
<b>Group and Charity</b>	£'000	£'000	£'000	£'000
Staff costs	313	-	-	313
Fundraising, legacy and appeal expenses	285	-	-	285
Support costs (Note 7)	39	-	-	39
<b>2020 Total Funds</b>	<b>637</b>	<b>-</b>	<b>-</b>	<b>637</b>
2019 Total Fund	467	-	3	470

#### Expenditure on provision of residential and nursing care

	General Fund	Designated Fund	Restricted Fund	2020 Total Funds
<b>Group</b>	£'000	£'000	£'000	£'000
Staff costs	7,524	-	297	7,821
Catering and food	1,087	-	-	1,087
Premises day to day costs	1,198	-	21	1,219
Medical, care and welfare costs	799	-	33	832
Support costs (Note 7)	2,011	-	-	2,011
Depreciation (Note 14)	-	339	684	1,023
<b>2020 Total Funds</b>	<b>12,619</b>	<b>339</b>	<b>1,035</b>	<b>13,993</b>
2019 Total Fund	13,208	315	833	14,356

	General Fund	Designated Fund	Restricted Fund	2020 Total Funds
<b>Charity</b>	£'000	£'000	£'000	£'000
Staff costs	7,524	-	297	7,821
Catering and food	1,087	-	-	1,087
Premises day to day costs	1,198	-	21	1,219
Medical, care and welfare costs	799	-	33	832
Support costs (Note 7)	2,011	-	-	2,011
Depreciation (Note 14)	-	339	684	1,023
<b>2020 Total Funds</b>	<b>12,619</b>	<b>339</b>	<b>1,035</b>	<b>13,993</b>
2019 Total Fund	13,208	338	833	14,379

## **TRUSTEE BIOGRAPHIES**

### **Melvin Lawson - Chairman**

Melvin is an investor in technology and property. He was a director of A. Beckman plc, and is currently a Non-Executive Director of Telecom Plus plc, Satellite Information Services (holdings) Ltd and Catalyst Media Group plc. He is also Vice-Chairman of Central Synagogue and has been a Director of Nightingale Hammerson for the past ten years.

### **John Reizenstein – Honorary Joint Treasurer**

John joined the Board of Nightingale Hammerson in 2018. He is also Chairman of Farm Africa, a member of the Boards of Scottish Widows and of Beazley plc (specialist insurers) and a member of the Panel on Takeovers and Mergers. John has had a long career in finance, most recently as Chief Financial Officer of Direct Line Insurance Group plc, from which he retired in 2018.

### **Carolyn Balcombe**

Carolyn was responsible for the retail division of the Chinacraft Group of Companies which consisted of a number of high street stores selling fine china and glass to an international customer base. She was one of the first women to be elected onto the Western Marble Arch Synagogue Board of Management where she stayed for over 10 years. Carolyn has a long standing family association with Nightingale Hammerson and in 2015, she co-chaired the last stages of the Nightingale Hammerson Campaign Dinner. In 2018 and 2020 she co-chaired both dinners from initial concept to implementation. She joined the Board in 2020.

### **Daniel Dayan**

Daniel is a professional mechanical engineer and business executive, who has spent many years in manufacturing industry worldwide. His experiences in recent years have been as Chief Executive and Chair, of both private and public companies. He has been a charity trustee for many years, including becoming Deputy Chair of Freedom from Torture, and co-founded the Wimbledon Synagogue Ark Project, which has supported a family of Syrian refugees to settle in the UK

### **Gill Livingston**

Gill works is an academic working as a professor in UCL and a doctor working as a consultant psychiatrist, Camden & Islington NHS Foundation Trust. She works to make a difference and help people with dementia and their families, from investigating mechanisms and then devising and testing interventions to implementation.

### **Joanne Black**

Joanne is a director of the Regatta Group where she holds a variety of key roles. This includes heading up an extensive social responsibility program. She is particularly proud of the Regatta school for disabled children and the women's health education program that she runs in Bangladesh. Alongside this role she is Vice Chair of the Outdoor Industry Association.

### **Keith Barnett**

Keith is a partner and Head of Real Estate at City law firm, Taylor Wessing LLP. Prior to that he was a founding partner of Andersen Legal. He has been listed in The Lawyer magazine's list of top 100 lawyers. Active in the Jewish Community, he has chaired the Hampstead Garden Suburb Synagogue and has been a Trustee and Vice-President of the United Synagogue. Keith is a Trustee of the Chief Rabbinate Trust and is an external adviser to a number of Jewish and non-Jewish charities. He brings extensive property, legal and community knowledge to the Board.

## **TRUSTEE BIOGRAPHIES (CONTINUED)**

### **Paul Althasen**

Paul holds business interests in a variety of businesses comprising insurance, property investment, financial transaction processing and football. He is a Board Director of Euronet Worldwide Inc, Powerleague, Pier Insurance Managed Services and Lodwick Homes Ltd. Paul sits of the Finance and Audit committee of CST and has been a trustee of Nightingale Hammerson since 2021.

### **Rosalind Taylor MBE**

Ros is a palliative care physician who has worked many years in the hospice world, most recently in the palliative care team at the Royal Marsden Hospital. She was CEO and Medical Director at the Hospice of St Francis in Berkhamsted, Herts for 18 years and then Clinical Director at Hospice UK, a national charity supporting the development of palliative care throughout the UK. She has a particular interest in care home medicine and chairs Nightingale Hammerson's Care Quality Improvement Board. She received an MBE for services to hospice care in 2014, and remains in clinical practice at the Michael Sobell Hospice at Mount Vernon Hospital.

**NIGHTINGALE HAMMERSON**

England & Wales - Charity number 207316

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# Accounts

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# **Annual Report and Consolidated Accounts**

**30 SEPTEMBER 2020**

**CHARITY REGISTRATION NUMBER 207316**

## **CONTENTS**

### **Reports**

Reference and administrative information	3
Professional advisors	4
Chairman's report	5
Report of the directors of the corporate trustee	7
Independent auditor's report	25

### **Accounts**

Consolidated statement of financial activities	28
Charity statement of financial activities	29
Balance sheet	30
Consolidated statement of cash flow	31
Notes to the accounts	32

### **Additional information**

About the trustees	61
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## REFERENCE AND ADMINISTRATIVE INFORMATION

<b>Registered name</b>	Nightingale Hammerson
<b>Registered charity number</b>	207316 governed by a scheme made by the Charity Commission on 30 March 2012
<b>Principal office</b>	105 Nightingale Lane London SW12 8NB
<b>Telephone</b>	020 8673 3495
<b>Facsimile</b>	020 8675 2258
<b>Website</b>	<a href="http://www.nightingalehammerson.org">www.nightingalehammerson.org</a>
<b>Life Patron</b>	Dame Vivien Duffield DBE
<b>President</b>	Harvey Rosenblatt
<b>Vice President</b>	Patricia Beecham
<b>Corporate trustee</b>	Nightingale Hammerson Trustee Company Limited
<b>Directors of the corporate trustee</b>	
<b>Chairman</b>	Melvin Lawson
<b>Honorary Treasurers</b>	David Winton John Reizenstein
<b>Other directors</b>	Carolyn Balcombe (appointed 24 September 2020) Colin Green Daniel Dayan (appointed 24 September 2020) Eli Shahmoon (retired 18 February 2021) Emma Kane (retired 1 October 2020) Harvey Rosenblatt Jacqueline Morris Joanne Black Keith Barnett Rosalind Taylor Susan Grant

## PROFESSIONAL ADVISORS

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Principal bankers** National Westminster Bank plc  
98 Wandsworth High Street  
London  
SW18 4ZD

**Investment managers** Veritas Investment Management LLP  
90 Long Acre  
London  
WC2E 9RA

Cazenove Capital  
1 London Wall Place  
London  
EC2Y 5AU

**Solicitors** Bircham Dyson Bell LLP  
50 Broadway  
London  
SW1H 0BL

## CHAIRMAN'S REPORT



The past year has been one of the most challenging times in our charity's 180-year history. From the outset, the Coronavirus pandemic changed the way we all lived at Nightingale House. The safety of each resident and staff team member from the spread of the virus became an immediate priority.

We introduced a great number of measures to control the virus transmission and everyone's well-being was the primary focus of our commitment to care. Alongside our enforced new way of living, resources were hugely stretched and staff teams were challenged in a way that many could never have been prepared.

I could not be more proud of the commitment and dedication of our staff and volunteers, who found themselves in the most difficult of circumstance. We have emerged stronger and more determined to continue to deliver quality care. Our staff teams and volunteers responded exceptionally well to the very many challenges of the pandemic; each team member gave a great personal sacrifice to ensure our residents were safe and cared for.

To support residents' well-being throughout the lockdowns in line with government guidelines, we developed a comprehensive communications framework. This enabled residents to keep in regular contact with their families. New initiatives were also put in place to boost mental well-being. These included our engagement programmes such as HD broadcasts of musical concerts and dance, as well as clubs such as bridge or gardening taking place on zoom. With the support of smart technologies, we also kept in virtual touch with the youthful positivity of our intergenerational programme - Apples and Honey nursery.

The safety and well-being of staff were also paramount to us. Throughout the year, extra precautionary measures were put in place, including the use of Personal Protective Equipment (PPE). We implemented a robust weekly testing and reporting culture. We also limited staff from working in multiple households. Our Director of Care worked in collaboration with Public Health England to seize early opportunities for vaccinations for both our residents and staff.

I wish to express my immense gratitude to staff and volunteers throughout the organisation for their tireless response to the challenges of coronavirus and the great personal sacrifices made in ensuring that our residents continue to receive the support they need.

Not only have we shown extraordinary agility, creativity and adaptability in the face of the pandemic, we have continued to work hard to see the completion of our new, modern and innovative care home - Hammerson House. Offering a vibrant living environment and a therapeutic care approach to 116 people, Hammerson House is now open to new residents.

## **CHAIRMAN'S REPORT (continued)**

Combined with Nightingale House, we now offer 'home from home' care beds to over 250 residents, which is around 30% of the care beds needed for the Jewish Community in the London area. I would like to take this opportunity to offer my sincere thanks to everyone involved for their hard work, particularly over the past few weeks and months leading to the opening. Everyone has worked tirelessly and with great dedication to ensure that Hammerson House is ready to greet its new residents.

We could not have survived the financial pressures of the pandemic or completed the development of Hammerson House without the immense support of our donors and supporters. Due to the reduction in resident numbers and the increased funding gap between self-funded residents and those funded by the Local Authority or NHS, our operational income fell by 8%. In addition, our care support costs increased due to the purchasing of PPE, investment in technologies to facilitate remote working and virtual engagements and putting in place the many infection control measures.

Although we were able to mitigate some of these adverse financial impacts by reducing our overheads and maximising the use of the government COVID grant and the Job Retention Scheme, our operational deficit at the end of the year was £3.5m. Through the generous donations of our supporters, we were able to raise £1.8m in revenue fundraising activities (excluding legacies) and £0.8m through the Jewish Homes Emergency Appeal.

It is clear that the support of our donors has been a lifesaver to us during this challenging time and our charity will always be deeply grateful for their generosity. We are not out of the crisis yet, however. We continue to rely on their support so we can maintain our commitment to serving older people in the Jewish Community.

I would also like to offer my thanks to Eli Shahmoon and Emma Kane, both of whom retired from the trustee Board during the year, for their contributions to Nightingale Hammerson. We welcome Carolyn Balcombe and Daniel Dayan as trustees.

As the country begins to ease its lockdown measures, our priority is to make sure Nightingale Hammerson remains the crown jewel in the community, extending the exceptional care we provide.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE

The directors of the corporate trustee of Nightingale Hammerson (herein referred to as ‘directors’ or ‘trustees’), who act as the Trustee Board of the Charity, present the statutory report and accounts for the year ended 30 September 2020. These accounts have been prepared in accordance with the accounting policies set out on pages 32 - 37 and comply with the charity’s governing document, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

### Our Corporate Structure

Nightingale Hammerson comprises four entities, all ultimately controlled by the directors of Nightingale Hammerson and all included within the consolidated accounts.

- Nightingale Hammerson, a registered charity, providing residential and nursing home facilities at two London sites, Nightingale House, in Clapham, and Hammerson House, in Hampstead Garden Suburb;
- Chalkford Limited, a company registered in England and Wales, whose business is property construction;
- Camden Jewish Society, a registered charity and company registered in England and Wales, which until 31 December 2017 provided sheltered accommodation at Belmont Lodge in Bushey, but which is dormant; and
- The Friends of Nightingale House, a charitable trust set up to raise funds for the relief of poverty and distress of the needy aged of the Jewish faith, but which is also dormant.

### Our Charitable Purpose

Nightingale Hammerson exists to be a leading provider of quality relationship-centred care for older Jewish people. We provide residential, dementia, nursing and palliative care services and treat all our residents with respect and dignity.

Our aim is to provide holistic care and support in a safe and stimulating environment using dedicated and trained staff and volunteers. We do this through the operation of two residential and nursing care homes – Nightingale House, in Clapham, and Hammerson House, in Hampstead Garden Suburb.

Nightingale House traces its origins back to 1840 in the East End of London. It moved to its current site in Clapham in the early 1900s and has continued to modernise and expand. It is fully equipped for those with residential, dementia, nursing and palliative needs. Nightingale House has 6 households, namely:

Households	Dedicated Service	Capacity
Wine	Residential	48
Sherman	Residential Dementia	46
Sampson	Nursing / Palliative Needs	32
Osha	Residential	15
Wohl	Nursing Dementia	40
Ronson	Under review	28

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

Hammerson House was established some 55 years ago thanks to an exceptional gift from Mrs Sue Hammerson CBE in memory of her late husband, Lewis W Hammerson. For many years it was primarily a residential home although offering some nursing beds and sheltered housing. It was closed for redevelopment in 2017 and re-opened in 2021. Hammerson House is now fully redeveloped and equipped to care for those with residential, dementia, nursing and palliative care needs. Hammerson House comprises 6 households, namely:

Households	Dedicated Service	Capacity
Isaac	Residential	20
Edith	Residential	20
Audrey	Residential Dementia	20
Pat	Residential Dementia	20
Wigoder	Nursing Dementia	18
Ronson	Nursing / Palliative Care Needs	18

### Our Vision

Our vision is to be an internationally recognised centre of care, excellence and innovation; jewel in the crown of the Jewish community

### Our Mission

Our mission is to be the leading organisation recognised for providing the best relationship-centred care in the UK and to share what we know.

### Our Values

Our values are Compassion, Respect, Excellence, Dignity, Innovation (Integrity) and Teamwork.

### Our Statement of Public Benefit

In setting the aims of the charity, the directors have had regard to the guidance published by the Charity Commission in respect to the provision of public benefit by charities. Nightingale Hammerson is committed to providing the same level of care to all older Jewish people in need, regardless of their personal financial status. A substantial proportion of residents are in receipt of local authority or other government funding and the charity raises funds from its donors and benefactors in order to meet the ever-growing shortfall between government funding and the costs of quality care provision.

### Our Trustees

The directors of the corporate trustee act as the Trustee Board of the Charity and are as set out on Page 3 with brief autobiographies at the end of this report. The Trustee Board meets formally at least five times a year and in-between meetings directors engage with the charity, its volunteers and staff in many and varied ways, such as providing guidance on projects, raising funds, serving formally on committees or supporting new initiatives.

Directors are appointed via proposal to the Nominations Committee, which gives ongoing consideration to the range of skills and experience valuable to the Board. The Nomination Committee aims to match skillset to the charity's overall strategic goals and the terms of reference of the committees of the Board. Our Board's responsibilities and delegated authorities are set out in the Terms of Reference of both the Board and the committees. Our directors serve 3-yearly terms up to a maximum of 10 years (the first year of service is deemed an induction year).

No director received any remuneration or expenses from the charity during the year.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Committees**

Certain responsibilities of the Board are delegated to committees, which act to provide counsel, expertise and support to both the Board and the Executive Team. A minimum of two directors serve on each committee and the Chairman is an ex-officio member of all committees.

The Nominations Committee oversees governance matters, including appointment and re-appointment of directors.

The Finance Committee, which includes two treasurers, meets quarterly and oversees all financial matters including maintenance of the financial risk register, budget review, in-year and year-end financial performance, financial governance and control.

The Care Quality Improvement Board oversees all care-related matters and works closely with the Director of Care to ensure that all regulatory requirements are met and care standards adhered to. Meetings are attended by other directors as well as a number of clinical professionals and GPs. Our clinical standards and practices are regulated by the Care Quality Commission.

The Audit and Risk Committee (non-financial) meets three times a year and is responsible for the maintenance of the operational risk register and ensuring that the Board is apprised of principal risks and agreed mitigating actions.

The Estates Committee oversees all major capital projects, with budgetary oversight from the treasurers.

The Investment Committee oversees the investment portfolio and provides instruction to the investment managers in line with the charity's investment policy.

The Technology and Innovation Advisory Board serves as an advisory board for technology and communication advancements.

The Hammerson House Opening Committee was set up to lead on discussions relating to the development and re-opening of Hammerson House.

Other committees of the Board include the Care Risk Committee, Education and Development Committee, Fundraising Committee, Relationship-Centred Care Committee, Service & Quality Committee and the Property Group (HH).

### **Our People**

This year, we had an average of 333 staff employed in the running of our home. Approximately 250 of these are on the frontline. As a result of the Coronavirus (C-19) outbreak, both our frontline and office-based teams have had to work in a more flexible way. At the outbreak of the pandemic, office-based teams were deployed to provide support to the frontline team so as to ensure the quality of care is maintained. We saw a decline in our staffing resources due to high sickness absence and the number of staff who had to self-isolate or shield. Not only did the pandemic impact our staffing resources, it also impacted our volunteers. We have had to place more attention on promoting staff well-being and boosting morale during the lockdowns. Counselling services, peer support, and group psychological support were offered and initiatives such as Thankful Thursdays (where all staff received gifts and vouchers from the Board of Trustees) were introduced. The Board of Trustees also seized a number of opportunities to show appreciation to staff for their continued dedication and commitment to our residents' care and safety, throughout what has been an exceptionally difficult year.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our People (continued)**

Recruitment was also more challenging due to infection control measures put in place and restrictions on movement. To prevent the spread of the virus, we reduced to the bare minimum, the use of agency staff and restricted staff from working across multiple households. Many of our non-frontline staff worked remotely. A rigorous testing regime was put in place and the Department of Health's requirement to daily report suspected cases of C-19 added extra pressure on the Care and HR team. We have had to adapt our recruitment process exploring more technologically driven and web-based recruitments as opposed to holding recruitment fairs. We have also had to hold our annual staff award ceremony virtually, celebrating around 50 staff who received awards for their contributions to the charity's cause during the year. On the financial front, we continue to meet our commitment to the National Living Wage and to maintain fair pay increments for those currently earning above that level, to ensure enhanced skills continue to be recognised appropriately.

### **Our Volunteers**

Our workforce is not complete without the amazing support we receive from our volunteers many of whom have been supporting the charity for a number of years. Our volunteers provide support to various aspects of the charity including residents' engagement, Mealtimes Matter, befriending, managing our charitable shop and supporting religious activities. Prior to the pandemic, we receive on average of 7,000 hours of support a year from our volunteers. Volunteers' support this year was, however impacted by the pandemic. In total, we had 136 volunteers who gave 2,793 hours of support.

- 54 volunteers supported the engagement team with 2,214 hours of volunteering to improve residents' mental health during the pandemic
- 27 volunteers supported Mealtimes Matter with 270 volunteered hours to support residents' nourishment
- 9 volunteers supported family visits with 263 volunteered hours to improve mental health and reduce isolation amongst residents
- 46 volunteers offered 46 hours of additional training and supervision.

With restrictions on care home visitations, we adapted the approaches to residents' activities embracing virtual and telephone activities where appropriate. A structured rota and strict infection control protocols were also put in place for permitted visits in keeping with government's infection control measures for care homes.

### **Remuneration of Our Senior Team**

Our Senior Leadership Team (SLT) form the key management personnel of the charity and are responsible for the charity's affairs on a day to day basis. Remuneration is benchmarked and set with reference to current market conditions so to ensure that the charity can recruit and retain high calibre staff. Annual pay reviews are approved by the Finance Committee.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Employment Policy**

We strive to be an equal opportunities employer and apply objective criteria to assess merit. We aim to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability. Selection criteria and procedures are reviewed to ensure individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress. Volunteers are coordinated by the Volunteer Development Manager, with recruitment, management and supervision policies in place.

### **Our Achievements**

#### **1. Enhanced residents' engagement during the lockdown**

The Activities and Engagement Team developed an innovative, flexible and responsive approach to identifying and meeting the needs of the residents during the pandemic. The commitment of the team and the flexibility of volunteers has enabled our activity 'landscape' to be redesigned so that we continue to provide a diverse range of meaningful activities in these challenging times. Our initial priority was to enable residents to sustain their family relationships. By working with the individual households, a comprehensive framework for residents maintaining contact with family was created. We currently have 78 residents who are using Skype, FaceTime and Zoom and other residents receive regular phone calls from our dedicated team of befriending volunteers.

We have also used digital platforms to share birthday celebrations, participate in Synagogue services, share in candle lighting for Chanukah and provide families with the opportunity to respond to their loved ones during end of life care. Fifteen of the residents on Wine Household have benefited from the fortnightly Zoom Poetry Group and interactive garden workshops led by volunteers and a diverse programme of virtual activities was also launched during the Jewish Festivals. In addition, our Religious Co-ordinator led household-based musical sessions on a weekly basis.

During the first three months of lockdown we prepared a weekly self-directed activity handout for the residents of three of our households. This was complemented by a monthly creative resource pack that was prepared by our partners in the Southbank 'Arts by Post' project. The Museum of London and the Jewish Museum also provided us with materials that have been used to develop Jewish Cultural and reminiscence conversations. The purchase of 'smart televisions' and additional tablets have provided us with the opportunity to be able to enjoy the Jewish Film Festival, access Netflix, share in a lecture programme and participate in an interactive tea dance and an 'Old Time Music Hall' performance. We also purchased a short term lease to deploy the use of the 'Magic Table' and 'Jolly Trolley' for supporting the engagement needs of residents living with dementia.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Achievements (continued)**

#### **2. Enhanced the quality of lives through excellent care**

During the year we were able to provide quality care to our residents, both permanent and respite. In total, we cared for 167 permanent residents with varying care needs and 25 individuals who came to us for respite care, allowing their families and carers a much needed break. Following our recognition by the CQC as an 'Outstanding' care home, we have continued to ensure our residents and their families remain at the heart of all we do. We adopt a relationship-centred care approach mindful of the connection that exists between our staff, volunteers, residents and their relatives. Our normal ways of operating were challenged this year with the outbreak of the pandemic and the various restrictions put in place to prevent the spread of C-19. We nonetheless adapted our approaches and deployed new ways of achieving positive outcomes for our residents and relatives. As an example, we deployed the Dementia Care Mapping, a qualitative tool that assesses the quality of engagement provided to our residents. With oversight from the Care Quality Improvement Board, we were also able to monitor the standard of care being provided and applied corrective measures to ensure our residents' quality of life was not at risk.

#### **3. Led the way on in-house therapeutic sessions**

We invested £0.83m in residents' medical and welfare costs this year, 50% of which went into providing physiotherapies, occupational therapies and other therapies. To the best of our knowledge, we are one of the very few care homes with a full onsite therapy team, allowing us to provide therapeutic support to all residents over and above our Falls Prevention Strategy. Much of our occupational therapy work was done in the households to better serve those who find it difficult to come to the therapy suite and in keeping with social distancing measures. We successfully rehabilitated residents who came for a short period of time for recovery after hospital admissions.

#### **4. Embraced intergenerational engagements**

The youthful positivity of the children from the Apples and Honey Nursery shone through our conservatory windows. In keeping with prevailing lockdown measures, their programme included virtual Mother and Toddler sessions, a weekly Havdalah and Kaballat Shabbat (both live and via Zoom) and virtual storytelling with the celebrity actress Thelma Ruby. We were also able to deliver a 'Bee Project' and engage a ceramist in delivering a series of 'How To' videos and interactive pottery sessions aimed at enhancing the nursery children's knowledge of bees. The project, which is called 'We can still Bee together' encapsulated our steadfast optimism for the future for all of our Nightingale family.

#### **5. Made quality care count to the end**

We continue to hold the highest accreditation, Platinum, under the Gold Standard Framework for End of Life Care. Our aim is always to allow, where humanly possible, every resident who wishes to reach the end of their life in our home rather than in the hospital to do so. We are proud of the fact that we continue to achieve this for the majority of our residents, with about 90% (circa 80% in England) choosing to spend their final moments at Nightingale House.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Achievements (continued)**

#### **6. Made positive impact with technology**

The pandemic has drastically enhanced our use of technology, from the way we interact with one another to the way we work. Since the outbreak, more technological devices have been rolled out to allow flexible working and interconnectivity between different parties, whilst being conscious of information security. We also undertook an in-depth need analysis of our telephone system which had become obsolete.

Having successfully delivered the pilot last year, we went ahead to fully implement a mobile electronic care record system. The digital care system reduces time spent on paperwork allowing us to evidence care interactions as they happen thereby giving our staff more time to spend with our residents.

#### **7. Completion of our new exceptional care home – Hammerson House**

Since April 2017, our North London Home, Hammerson House, has been closed for redevelopment. It was exciting seeing the new building take shape. The superstructure completed in February 2021 and opened its doors to its first residents in May 2021. Hammerson House will be a beautiful home to up to 116 residents, who will enjoy the outstanding care we deliver at Nightingale House in a purpose-built environment developed around their needs. Shared spaces are designed to create a vibrant and welcoming environment for residents, visitors, volunteers and staff.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Our Plans**

We have been providing exceptional care for over 150 years, yet we hear time and time again from members of the Jewish Community that we are the 'Hidden Jewel' in the crown when it comes to care. Nightingale House is the only Jewish Home for older people in the UK to be classified 'Outstanding' by the Care Quality Commission (CQC). We therefore want to build on our strengths and successes whilst improving on our weaknesses. We also want to seek opportunities to intentionally remain the centre of excellent care. Our strategic priorities, as approved by the Board, are as follows:

#### **1. We will extend our exceptional care**

- By completing all aspects of the new Hammerson House building project and opening in Spring 2021
- By placing an exceptional staff and volunteer team at Hammerson House, to deliver care to Nightingale Hammerson's high standards
- By developing a Customer Service Strategy across the organisation

#### **2. We will embed Continuous Improvement & Share Expertise globally**

- By embedding our Care Home Education Centre across both sites
- By following the cycle of 'Plan, Do, Study, Act' in all that we do
- By developing a passionate and inspiring Communications Strategy

#### **3. We will be the exemplar for Relationship-Centred Care (RCC)**

- By developing an education programme for RCC
- By listening and responding to what matters most to the 4 key relationship groups - residents, staff, families & volunteers
- By practicing what we preach every day

#### **4. We will generate the greatest impact for our residents from our resources**

- By setting a fundraising strategy to increase donations (including a legacy campaign)
- By setting a marketing strategy to increase resident numbers
- By exploring new ways to generate income from unused space at Nightingale House

#### **5. We will expand our Innovation programme including the reach of our intergenerational work and use of technology**

- By expanding our intergenerational work to include more age groups and developing an education programme for Intergenerational work
- By working with innovative external partners
- By participating in successful research projects and investing in their implementation in our homes

#### **6. We will be a first class employer**

- By implementing a new people strategy that includes - wellbeing and enhanced staff engagement, pay and reward benchmarking, literacy and technology support, diversity and inclusion
- By striving to achieve Investors in People Gold Award
- By defining career paths for all staff team members including through our own development programme

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Financial Review

Despite what has been an unprecedented year, the Statement of Financial Activities shows a net fund movement of £3.5m (2019: £10m) at the end of the financial year. This included net gains (realised and unrealised) of £1.3m (2019: £0.3m), capital fundraising of £2.4m (2019: £11.3m) and C-19 support received through the Jewish Home Emergency Appeal JHEA of £0.8m (2019: £nil). Excluding these non-operational (i.e. net gains on investments, foreign exchange and actuary valuation) and exceptional items (i.e. JHEA appeal and capital fundraising), the underlying result was a deficit of £1.0m (2019: £1.7m deficit), as illustrated in the table below.

	2020	2019
	£m	£m
Income from care provision	10.0	10.9
Cost of care provision including depreciation	(14.0)	(14.4)
Government related infection control and furlough grants	0.5	-
Other operating income	0.1	0.1
<b>Operating deficit</b>	<b>(3.4)</b>	<b>(3.4)</b>
Net fundraising income (excluding emergency appeal)	2.1	1.1
Net income from investments	0.3	0.6
<b>(Deficit) before investment gains and capital fundraising</b>	<b>(1.0)</b>	<b>(1.7)</b>
Coronavirus Jewish Homes Emergency Appeal	0.8	-
Capital donations for Hammerson House	2.4	11.3
Net gains	1.3	0.3

Income from care services fell by 8%, from £10.9m to £10m. This was due to a fall in resident numbers, an inability to gain new admissions whilst the home was in lockdown following the outbreak of C-19 and the growing increase in funding gap between self-funded residents and residents funded by the Local Authorities or the NHS through Continuing Health Care (CHC). On average, local authority and CHC funding is 50% less than the standard weekly rates and 44% of residents were in this category in the year.

The cost of care provision also fell by 3%, from £14.4m to £14.0m. As the result of the drop in resident numbers, our catering cost and staffing costs were proportionately lower. Average staff headcount fell from 344 to 333. Our premises cost was also lower than prior year due to a decline in reactive repairs. We however saw an increase in support costs arising mainly from increase in Personal Protective Equipment (PPE), infection control kits and cost of putting in place appropriate social distancing measures to mitigate the spread of the virus in our home.

Keeping abreast with government guidelines, we introduced a number of initiatives to maintain a balance between the health and well-being of our residents and staff and upholding service standards in an infection-controlled environment. We introduced rigorous testing regimes across the organisation, limited staff working across households and significantly reduced our use of agency staff to prevent the spread of the virus across care homes. We trained and redeployed some of our non-frontline staff to support essential services, provided onsite accommodation to key personnel and made available a shuttle service for our Health Care Assistants. We also invested in technology to facilitate remote working for non-essential services.

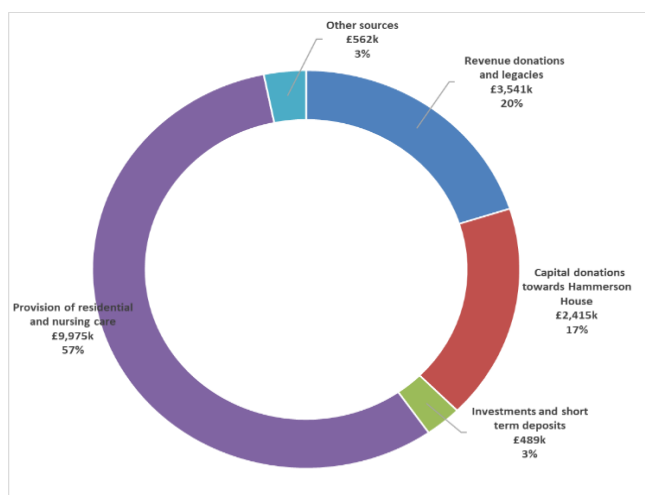
## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Financial Review (continued)

Like many charities, we received some government support, £0.5m in total, through the infection control grants and the Coronavirus Job Retention Scheme. This grant was used to mitigate some of our increased C-19 overheads as well allow staff who were isolating in line with Government guidance to receive their normal wages. We were also able to recruit additional staff to assist with the testing and reporting regime set out for care homes by PHE. Despite government support, our operating deficit was £3.5m before fundraising income.

We received from our generous supporters, a net fundraising revenue income of £2.1m (2019: £1.1m). We also worked in collaboration with other Jewish care homes, through the Jewish Homes Emergency Appeal, to raise additional donations to mitigate the financial impact of C-19. Our heartfelt appreciation to all our donors; their extraordinary support, during what have been extraordinary times, is greatly appreciated.

### Where our income came from

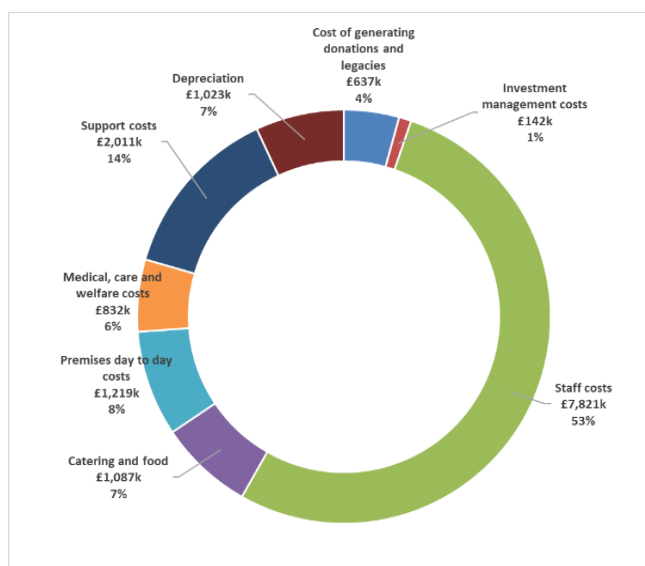


**59%** of our income was from fees charged for the provision of care

**35%** was from voluntary donations (revenue and capital), fundraising activities and events

**6%** was from other sources including investment income and government grants

### Where the money was spent



**53%** of our costs went towards direct staffing

**21%** went towards other direct care costs such as medical, accommodation and catering costs

**14%** was support costs include the cost of PPE and hygiene kits

**4%** was cost of generating voluntary income

**7%** was depreciation and the remaining

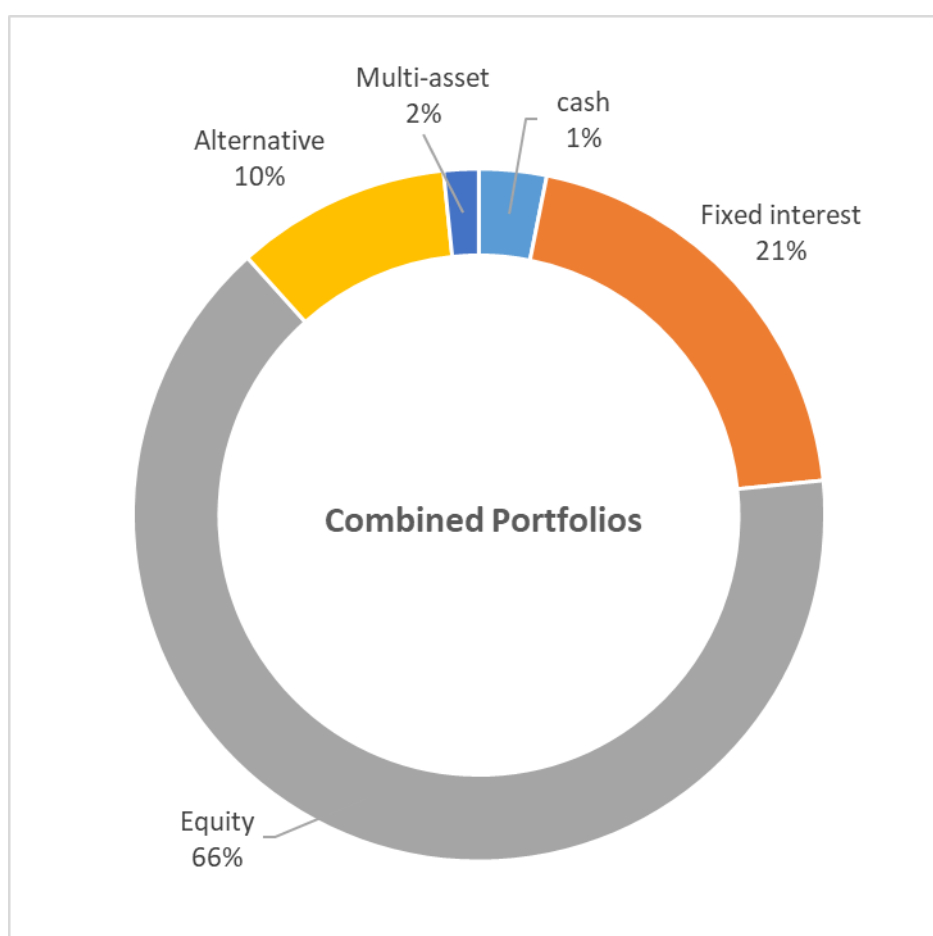
**1%** was investment fees.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Investment Policy and Performance

Last year, the directors reviewed the Investment Policy Statement, with an investment objective of maintaining at least the real value of the investment assets whilst generating a stable and sustainable return to support the charity's operating activities. The policy continues to be one of diversification, seeking to produce a reasonable level of return within an acceptable level of risk. The directors adopt a long term investment time horizon and a total return with medium appetite for risk.

As part of the investment diversification strategy, the Board of Trustees appointed two fund managers. The investment fund of the charity were then allocated between the two fund managers, both of whom have discretion to manage the charity's portfolio within the set investment objectives. A combined summary of the assets allocation by each fund manager is illustrated below.



The total investment portfolio as at 30 September 2020 was £24.5m, excluding the directly managed investment property valued at £0.3m (Note 16). Only 1% of the holdings were held in cash, compared to the 12% held in cash last year. The main reason for this being that the charity completed the transfer of its investment assets from Goldman Sachs to Cazenove Capital. This also explains the high value of disposals and additions of investment assets shown in Note 16. Investment income in the year was £0.49m (2019: £0.77m) and net investment gains were £1.32m (2019: £0.80m).

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Reserves**

An important role for our Board of Trustees is to manage the long-term sustainability of the charity. We have therefore set our reserves policy to:

1. ensure we are resilient and have the financial capability to momentarily respond to unforeseen financial difficulties; a pandemic outbreak being a case in point
2. serve as a buffer to ensure the completion of Hammerson House redevelopment. 60% of the capital required for the development of Hammerson House is being funded from the charity's reserves
3. provide resources to fund the operational start-up costs when Hammerson House opens
4. allow investment in the refurbishment of Nightingale House, technology and facilities
5. reassure our funders that we are demonstrating good financial stewardship in the management of the charity's resources
6. reassure the community we serve: staff, residents, relatives, supporters and other stakeholders of our financial capacity and resilience.

We have calculated our free reserves as that part of the charity's unrestricted income funds that is freely available after taking account of the tangible fixed assets, restricted, endowment and designated funds earmarked for specific projects. We have considered that given the nature of the charity's work, the continuing fight against the C-19 pandemic, political uncertainty around social care funding, economic uncertainties, impact on disposable income, stock market volatilities and the growing demand for elderly care, the level of free reserves should be equivalent to at least 12 months' expenditure.

We are also of the opinion that the free reserves should afford the charity the flexibility to cover temporary shortfalls in incoming resources either due to the timing difference in cash flow or inadequate funding. For the purpose of assessing the adequacy of reserves, we have taken into account the 2020/21 operational expenditure expected at Hammerson House (£3m) and the 2020/21 operating expenditure expected at Nightingale House (£15m). Therefore, free reserves as at the end of 2019/20 of £18.1m (2019: £17.7m) are in line with our requirement.

### **Going Concern**

The global outbreak of the C-19 virus pandemic has led to unprecedented uncertainty for all organisations. We have however taken this situation, difficult as it is, as an opportunity to review our strategic focus and business assumptions. An extensive financial modelling exercise was done taking into account the charity's current operations at Nightingale House and growth potential that Hammerson House development brings. The financial forecast was projected over 3 and 10 year periods with some sensitivities applied to stress test the key assumptions. The financial forecasts also included cash flow forecasts which support the ability of the charity to continue to provide its outstanding care services for the foreseeable future. As such, the Board of Trustees is comfortable that the accounts have been prepared on a going concern basis.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Fundraising for our charitable objectives**

With the ever more complex care needs and the impact of government initiatives such as the National Living Wage and the pension reform, the need to fund-raise to support core funding has never been greater. Local authorities and the NHS, who fund a substantial proportion of our residents, are operating under ever-tightening budgetary constraints. In order to provide the same level of care to all residents, we have to raise in the region of £2.5m per annum through fundraising activities and legacies. This amount will only increase as the differential grows between costs of care on the one hand and government funding on the other.

Our donors and benefactors have continued to give generously, with £3.5m raised in the year to support day to day operations and an additional £2.4m received and / or formally pledged in respect of the Hammerson House building project. The publicity within the community surrounding the new Hammerson House development has created a natural opportunity for us to raise awareness of what makes Nightingale Hammerson special.

Our heartfelt thanks go to all our donors.

### **Our commitment to the Fundraising Code of Practice**

Nightingale Hammerson is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We aim to achieve best practice in the way we communicate with our donors and other supporters. Our supporters are at the heart of our ability to fulfil our mission. Following continued scrutiny of fundraising practices across the sector, we have reviewed our systems to ensure that formal consent is gained from all those whom we wish to contact for fundraising purposes. By reviewing our processes, we aim to achieve the standards set out in the Fundraising Code of Practice and ensure compliance with the General Data Protection Regulation. We do not employ third party professional fundraisers or commercial organisations to fundraise on our behalf. We also do not take part in any intrusive or high-pressure fundraising activities such as street fundraising, door-to-door fundraising or cold-calling by telephone. We listen to feedback and investigate any complaints regarding our fundraising activities. During 2020, we received no complaints about our fundraising activities.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty**

#### **Our Approach to Risk Management**

Risk is inherent in our operations and the decisions we make in pursuit of our charitable goals. The Board of Trustees is responsible for the nature and extent of the principal risks that we are willing to take. It reviews the principal risks to the organisation and ensures that risks are effectively managed through our governance structure. The Board delegates the detailed review of operational risks to the Audit and Risk Committee. Clinical risk assessments continue to be overseen by the Care Quality and Improvement Board whilst financial and investment risks are overseen by the Finance and Investment Committees, respectively. Looking ahead, a new risk governance structure and a revised approach to risk management will be put in place. The revised approach will ensure all risks (financial, operation and others) with the mitigating actions will be overseen by the Audit and Risk Committee. Our principal risk portfolio will continue to be reviewed by the Board as relating to our strategic priorities. The sub-committees of the Board will also continue to have focus on more in-depth management of our day-to-day responses to risks. Our principal risks with mitigating actions are:

#### **Coronavirus**

The C-19 pandemic is the most significant external risk currently facing the charity - impacting on our residents, staff and volunteers. Multiple aspects of our operations have had to be adapted in keeping with the various government and Public Health England (PHE) guidance on infection control, safety and hygiene, social distancing and lockdown measures. During the lockdowns, we limited visitations, put on hold our intergenerational activities and suspended non-essential outings and activities. The use of PPE became compulsory and we rolled-out a robust C-19 testing regime that included our residents, staff, volunteers and anyone visiting our homes. SLT held, on a weekly basis, C-19 meetings reviewing infection control risk assessments, outcomes from the testing regimes, changes in government guidance and evaluating the effectiveness of the infection measures put in place. Regular updates from the C-19 meetings were also discussed at the Care Risk Committee and the Board. We kept our residents and relatives up to date regularly via the fortnightly Relatives Newsletters and we also held two virtual meetings with the relatives of our residents. We have embraced the opportunity to vaccinate our residents and continue to promote uptake amongst our staff.

#### **Fire**

With a large number of frail and often immobile residents, managing fire risk is a key priority for us. Detailed fire risk assessments are undertaken at all levels across the organisation. This includes monthly fire drills in households, fire safety awareness for all staff, periodic fire risk assessments and ensuring the designated fire marshals have the necessary training. An independent fire risk assessment was undertaken in previous year and our Senior Management Team focused this year on implementing the recommendations. A follow-up audit is planned for the coming year. The fire compartmentation in place provides for residents to be evacuated horizontally to a place of safety and each resident has a Personal Emergency Evacuation Plan which takes into account their particular needs. Fire alarms are tested weekly and periodical exercises carried out involving emergency services and local authority health workers to ensure adequate plans are in place in case of an emergency.

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Principal Risks and Uncertainty (continued)**

#### **Health and Safety**

Our approach to maintaining a good Health and Safety practice at work is very hands-on. We established three core Health and Safety groups to focus each on operations, care and property maintenance. These core groups hold quarterly meetings and provide updates to the Principal Health and Safety Committee which also meets quarterly. Due to the C-19 pandemic, the focus of the core groups and committee was more on mitigating the spread of the virus and ensuring the recommended hygiene practices were adopted across the organisation. Regular risk assessments are carried out and remedial action taken where needed. Code-operated doors protect all residents from areas which may be hazardous, such as open staircases. Areas of high risk, such as laundry and kitchen, are only accessible by authorised staff. All staff receive health and safety training specific to their areas of responsibility.

#### **Financial**

A detailed financial risk register is maintained and overseen by the Finance Committee. Falling levels, in real terms, of government funding create a significant risk for the charity and the Finance Committee continues to review ways to improve our financial resilience in order to ensure sustainability. The outbreak of the pandemic has also posed additional financial risks with the reduction in resident numbers and the increase in infection control costs. Towards the end of the year, a 3 and 10 year financial model was developed. This was helpful to project the short and longer-term financial sustainability of Nightingale Hammerson. Furthermore, our fundraising and marketing strategy is being revised to ensure the charity can continue to provide its essential services to the elderly within the Jewish community.

#### **Technology**

As the organisation becomes more reliant on technology, the risk arises that an ageing infrastructure is inadequate to support it in a stable and secure manner. A programme of improvements and replacements is underway to address this risk under the oversight of the Technology and Innovation Advisory Board.

#### **Brexit**

The charity has assessed the risks associated with Brexit and will continue to do so as more information becomes available. The key vulnerability will be to price increases and there are plans in place to mitigate these where possible. Whilst we have some staff from EU countries, we are actively supporting them with residency applications. However, a risk remains that restrictions on movement may worsen the overall shortage of qualified nurses.

## REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)

### Streamlined Energy and Carbon Reporting

Over the past two decades, the effects of climate change have accelerated. Considerable evidence exists proving climate change has been exacerbated by human activities. Changes in lifestyles have altered the chemical composition of the atmosphere, generating a build-up of Greenhouse Gases (GHG) – primarily carbon dioxide, methane, and nitrous oxide levels – raising the average global temperature. We are committed to reducing the energy consumption and carbon impact of our operations and transport activities, recognising this requires significant investment over time.

For the reporting year, the charity's GHG report was prepared in accordance with Part 1 of ISO 14064: 2018. This report measured the carbon footprint of the organisation using the 2020 conversion factors developed by the UK Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Business, Energy & Industrial Strategy (BEIS). These factors were multiplied with the charity's GHG activity data. The scope of emission were categorised as:

- Scope 1: comprises direct emissions associated with the combustion of fuel (natural gas) as well as additional emissions sources such as refrigerants and owned transport (the minivan).
- Scope 2: comprises primarily indirect energy consumption including consumption of purchased electricity.
- Scope 3: relates to other indirect emissions occurring as a consequence of activities not owned or controlled by the charity e.g. service-related travel.

This was our first carbon footprint analysis and as such serves as our base year. Due to the timing of the report and delays with obtaining data from some suppliers, due to the impact of C-19, the margin of uncertainty resulting from data extrapolation was high at around +/- 50%.

The summary of the results for Nightingale House is as follows:

Scope	Activity	Tonnes CO2e
Scope 1	Site Gas	580
	Refrigerants	17
	Van travel	0.2
	Scope 1 total	597.2
Scope 2	Electricity generation	402
	Scope 2 total	402
Scope 3	Electricity transmission and distribution	35
	Scope 3 total	35
Total tonnes of CO2e		1,035
Tonnes of CO2e per employee		3
Tonnes of CO2e per £m turnover		65
Total energy consumption (kWh)*		4,882,296

CO2e = Carbon O2 Emission

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **Streamlined Energy and Carbon Reporting (continued)**

The data shows that site gas accounts for 56% of our carbon footprint. Some of the actions we will be looking to take to reduce our carbon footprint at Nightingale House include:

- Developing an active energy management programme targeting a reduction in site energy consumption year on year. This will include having energy monitoring records and set KPIs.
- Embracing the use of renewable gas and electricity tariffs.
- Promoting energy efficiency awareness amongst staff.
- Reviewing our operating procedures to ensure air-conditioning units are not being emptied and re-filled when not needed.
- Using more LED lighting and maximising natural daylight or artificial lighting when safe to do so.

A number of initiatives to reduce our carbon footprint at Hammerson House were incorporated from the outset, in the design and build of the home

## **REPORT OF THE DIRECTORS OF THE CORPORATE TRUSTEE (CONTINUED)**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the report of the directors of the corporate trustee and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

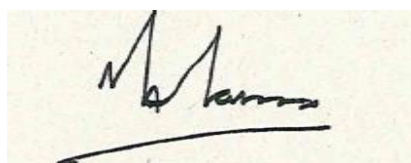
The law applicable to charities in England and Wales requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity, of the incoming resources and application of resources of the charity for that period.

In preparing these accounts, the directors are 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 financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's governing document.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A handwritten signature in black ink on a light-colored background. The signature is stylized and appears to be 'M. A. Hammerson'. Below the signature is a horizontal line.

Director

Date of approval: 24 June 2021

## **INDEPENDENT AUDITOR'S REPORT**

Independent auditor's report to the directors of the corporate trustee of Nightingale Hammerson

### **Opinion**

We have audited the accounts of Nightingale Hammerson (the 'parent charity') and of Nightingale Hammerson and its subsidiaries (the 'group') for the year ended 30 September 2020 which comprise the group and parent charity statement of financial activities, the group and charity balance sheets, the consolidated statement of cash flows, the 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 group's and of the parent charity's affairs as at 30 September 2020 and of their 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 accounts section of our report. We are independent of the group 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the use of the going concern basis of accounting by the directors of the corporate trustee in the preparation of the accounts is not appropriate; or
- the directors of the corporate trustee have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **Other information**

The directors of the corporate trustee are responsible for the other information. The other information comprises the information included in the Annual Report and Consolidated Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, 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 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 accounts 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:

- the information given in the report of the directors of the corporate trustee 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 and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors of the corporate trustee**

As explained more fully in the statement of directors' responsibilities, the directors of the corporate trustee 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 directors of the corporate trustee 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 directors of the corporate trustee are responsible for assessing the group's and the parent 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 directors of the corporate trustee either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **Auditor's responsibilities for the audit of the accounts**

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

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

### **Use of this report**

This report is made solely to the directors of the corporate trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the directors of the corporate trustee 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 directors of the corporate trustee, as a body, for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*  
\_\_\_\_\_

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

9 July 2021

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

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2020

		Unrestricted Funds			2020	2019
		General Fund	Designated Fund	Restricted Fund	Total Funds	Total Funds
Note		£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>						
Donations and legacies						
Revenue purposes (including Emergency Appeal)	2	3,304	-	238	<b>3,542</b>	1,611
Capital purposes	2	-	-	2,415	<b>2,415</b>	11,311
Investments and short term deposits	3	458	-	31	<b>489</b>	765
Charitable activities						
<i>Provision of residential and nursing care</i>	4	9,975	-	-	<b>9,975</b>	10,815
Government's infection control and furlough grants		156	-	330	<b>486</b>	-
Other sources		76	-	-	<b>76</b>	236
<b>Total Income</b>		<b>13,969</b>	<b>-</b>	<b>3,014</b>	<b>16,983</b>	<b>24,738</b>
<b>Expenditure on:</b>						
<i>Raising funds</i>						
Generating donations and legacies	5	637	-	-	<b>637</b>	470
Investment management costs		142	-	-	<b>142</b>	169
Expenditure of UK trading subsidiary		-	-	-	-	5
<i>Charitable activities</i>						
Provision of residential and nursing care	6	12,619	339	1,035	<b>13,993</b>	14,356
<b>Total expenditure</b>		<b>13,398</b>	<b>339</b>	<b>1,035</b>	<b>14,772</b>	<b>15,000</b>
<b>Net income / (expenditure) for the year before transfers and gains (losses) on investments</b>		<b>571</b>	<b>(339)</b>	<b>1,979</b>	<b>2,211</b>	<b>9,738</b>
Transfers between funds	19	(1,487)	4,926	(3,439)	-	-
Gains (losses) on investments		-	-	-	-	-
Realised (losses) on disposal of investments	16	(322)	-	-	<b>(322)</b>	(243)
Unrealised gains on listed investments	16	1,637	-	-	<b>1,637</b>	1,130
FX movements on currency swaps		-	-	-	-	(83)
<b>Net income (expenditure) for the year</b>		<b>399</b>	<b>4,587</b>	<b>(1,460)</b>	<b>3,526</b>	<b>10,542</b>
<b>Other recognised gains and losses</b>						
Actuarial (losses) on pension scheme		(29)	-	-	<b>(29)</b>	(547)
<b>Net movement in funds</b>		<b>370</b>	<b>4,587</b>	<b>(1,460)</b>	<b>3,497</b>	<b>9,995</b>
Funds brought forward at 1 October 2019		18,900	48,075	18,958	<b>85,933</b>	75,938
<b>Funds carried forward 30 September 2020</b>	21	<b>19,270</b>	<b>52,662</b>	<b>17,498</b>	<b>89,430</b>	<b>85,933</b>

The consolidated statement of financial activities includes the results of Nightingale Hammerson, The Friends of Nightingale House, Chalkford Limited and Camden Jewish Society.

All of the figures included in the above consolidated statement of financial activities derive from continuing activities of the charity and its subsidiaries.

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2020

	Note	Unrestricted Funds			2020	2019
		General Fund	Designated Fund	Restricted Fund	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>						
Donations and legacies						
Revenue purposes (including Emergency Appeal)	2	4,172	-	238	<b>4,410</b>	2,162
Capital purposes	2	-	-	2,415	<b>2,415</b>	11,311
Investments and short term deposits	3	463	-	31	<b>494</b>	770
Charitable activities						
<i>Provision of residential and nursing care</i>	4	9,975	-	-	<b>9,975</b>	10,815
Government's infection control and furlough grants		156	-	330	<b>486</b>	-
Other sources		116	-	-	<b>116</b>	276
<b>Total Income</b>		<b>14,882</b>	<b>-</b>	<b>3,014</b>	<b>17,896</b>	<b>25,334</b>
<b>Expenditure on:</b>						
<i>Raising funds</i>						
Generating donations and legacies	5	637	-	-	<b>637</b>	470
Investment management costs		142	-	-	<b>142</b>	169
<i>Charitable activities</i>						
Provision of residential and nursing care	6	12,619	339	1,035	<b>13,993</b>	14,379
<b>Total expenditure</b>		<b>13,398</b>	<b>339</b>	<b>1,035</b>	<b>14,772</b>	<b>15,018</b>
Net income /(expenditure) for the year before transfers and gains (losses) on investments		<b>1,484</b>	<b>(339)</b>	<b>1,979</b>	<b>3,124</b>	<b>10,316</b>
Transfers between funds	19	(2,397)	5,836	(3,439)	-	-
Gains (losses) on investments						
Realised (losses) on disposal of investments	16	(322)	-	-	<b>(322)</b>	(243)
Unrealised gains on listed investments	16	1,637	-	-	<b>1,637</b>	1,130
FX movements on currency swaps		-	-	-	-	(83)
<b>Net income (expenditure) for the year</b>		<b>402</b>	<b>5,497</b>	<b>(1,460)</b>	<b>4,439</b>	<b>11,120</b>
<b>Other recognised gains and losses</b>						
Actuarial gains / losses on pension scheme		(29)	-	-	<b>(29)</b>	(547)
<b>Net movement in funds</b>		<b>373</b>	<b>5,497</b>	<b>(1,460)</b>	<b>4,410</b>	<b>10,573</b>
Funds brought forward at 1 October 2019		18,898	49,100	18,969	<b>86,967</b>	76,394
<b>Funds carried forward 30 September 20</b>	21	<b>19,271</b>	<b>54,597</b>	<b>17,509</b>	<b>91,377</b>	<b>86,967</b>

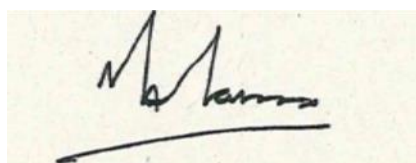
All the figures included in the above statement of financial activities derive from continuing activities of the charity.

## BALANCE SHEET

As at 30 September 2020

		2020		2019	
	Note	Group £'000	Charity £'000	Group £'000	Charity £'000
<b>Fixed assets</b>					
Tangible assets	14	<b>46,524</b>	<b>48,473</b>	29,057	30,094
Investments	16	<b>24,804</b>	<b>24,805</b>	25,288	25,289
		<b>71,328</b>	<b>73,278</b>	54,345	55,383
<b>Current assets</b>					
Debtors	17	<b>5,867</b>	<b>6,211</b>	6,966	7,343
Short term deposits		<b>8,825</b>	<b>8,825</b>	21,426	21,426
Cash at bank and in hand		<b>6,311</b>	<b>6,292</b>	5,591	4,896
		<b>21,003</b>	<b>21,328</b>	33,983	33,665
<b>Creditors:</b>					
amount falling due within one year	18	<b>(4,047)</b>	<b>(4,375)</b>	(3,570)	(3,256)
<b>Net current assets</b>		<b>16,956</b>	<b>16,953</b>	<b>30,413</b>	<b>30,409</b>
<b>Total assets less current liabilities</b>		<b>88,284</b>	<b>90,231</b>	84,758	85,792
Pension scheme asset	23	<b>1,146</b>	<b>1,146</b>	1,175	1,175
<b>Total net assets</b>		<b>89,430</b>	<b>91,377</b>	<b>85,933</b>	<b>86,967</b>
<b>Funds and reserves</b>					
<b>Charitable funds</b>					
Restricted funds	19	<b>17,498</b>	<b>17,509</b>	18,958	18,969
Unrestricted funds					
Designated funds					
Hammerson House building fund	20	<b>3,549</b>	<b>3,549</b>	17,117	17,117
Nightingale House building fund	20	<b>8,500</b>	<b>8,500</b>	8,500	8,500
Maintenance fund	20	<b>3,500</b>	<b>3,500</b>	3,500	3,500
Tangible fixed assets fund		<b>37,113</b>	<b>39,048</b>	18,958	19,983
		<b>52,662</b>	<b>54,597</b>	48,075	49,100
General fund		<b>18,124</b>	<b>18,125</b>	17,725	17,723
Pension reserve	23	<b>1,146</b>	<b>1,146</b>	1,175	1,175
	21	<b>89,430</b>	<b>91,377</b>	<b>85,933</b>	<b>86,967</b>

Approved by the directors of the corporate trustee  
And signed on their behalf by:



Director of corporate trustee  
Approved on: 24 June 2021

## CONSOLIDATED STATEMENTS OF CASH FLOW

For the year ended 30 September 2020

		2020	2019
		£'000	£'000
<b>Cash flows from operating activities</b>			
Net Cash provided (used in) by operating activities	A	168	(2,111)
<b>Cash flows from investing activities</b>			
Investment income		641	758
Income from capital fundraising		3,439	7,228
Purchase of tangible fixed assets		(17,928)	(11,317)
Proceeds from disposal of investments		22,299	6,164
Purchase of investments		(21,940)	(2,365)
Reclassification of cash as investments		-	(1,475)
<b>Net cashflow from investment activities</b>		<b>(13,489)</b>	<b>(1,007)</b>
Change in cash and cash equivalents in the year		(13,321)	(3,118)
Cash and cash equivalents at 1 October 2019		28,942	32,060
<b>Cash and cash equivalents at 30 September 2020</b>	B	<b>15,621</b>	<b>28,942</b>

### Notes to the consolidated statement of cash flows for the year to 30 Sept 2020

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2020	2019
	£'000	£'000
<b>Net movements in funds (as per the statement of financial activities)</b>	<b>3,497</b>	9,995
Adjustments for:		
Depreciation charge	1,023	1,003
Gains on listed investments	(1,315)	(887)
Investment income	(489)	(765)
(Increase) decrease in value of pension asset	29	565
Income from capital fundraising	(2,415)	(11,311)
(Increase) decrease in debtors	(77)	(656)
Increase (decrease) in creditors	(85)	(55)
<b>Net cash (used in) provided by operating activities</b>	<b>168</b>	<b>(2,111)</b>

B Analysis of cash and cash equivalents

	2020	2019
	£'000	£'000
Cash at bank and in hand	6,311	5,591
Short term deposits	8,825	21,426
Cash held with investment managers	485	1,925
<b>Total cash and cash equivalents</b>	<b>15,621</b>	<b>28,942</b>

The substantial disposals and purchases of investments were due to a change in fund managers.

## **NOTES TO THE ACCOUNTS**

### **1. PRINCIPAL ACCOUNTING POLICIES**

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

#### **Basis of preparation**

These accounts have been prepared for the year to 30 September 2020 with comparative information given in respect to the year to 30 September 2019.

The accounts 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 accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) first issued on 16 July 2014 with second edition issued in October 2019, 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 accounts are presented in sterling and rounded to the nearest thousand pounds.

#### **Going Concern**

The directors have a reasonable expectation that the charity will continue to provide residential, nursing, dementia and palliative care for the foreseeable future despite the impact of the C-19 pandemic. The outbreak has impacted on the way the charity delivers some of its services in keeping with government's guidelines on social distancing measures, infection control and lockdown measures. During the first lockdown, the charity's care home in Clapham London was closed to new admissions for two months whilst infection control measures were put in place to safeguard existing and future residents. Since then, the charity has remained opened to new admissions. Although there was a decline in residential income, the group finished the financial year with a healthy cash balance. The group has also been able to complete its major redevelopment project of a 116-bed home in North London. Additionally, the charity's investment portfolio benefitted from favourable market movements. For these reasons, the directors continue to adopt the going concern basis in preparing the accounts.

#### **Basis of consolidation**

The statement of financial activities and balance sheet consolidate the accounts of the charity and its group undertakings (listed below) made up to the balance sheet date.

- Chalkford Limited, a UK trading subsidiary which is a property construction company.
- Friends of Nightingale House, a charitable trust no longer operational but having had the purpose of raising funds on behalf of Nightingale Hammerson.

## **NOTES TO THE ACCOUNTS (CONTINUED)**

### **1. Principal Accounting Policy (continued)**

- Camden Jewish Society, a charitable company limited by guarantee whose sole activity, until 31st December 2017, was the provision of sheltered accommodation and which is now dormant. Since 30 April 2015, Nightingale Hammerson has had management and voting control of Camden Jewish Society.

Intra-group transactions are eliminated in full.

### ***Critical accounting estimates and areas of judgement***

Preparation of the accounts requires the directors of the corporate trustee and management to make significant judgements and estimates.

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

- assessing the probability of the receipt of legacy income
- estimating accrued expenditure
- determining the apportionment of expenditure between governance and support costs and between support costs and the various categories of expenditure
- estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge
- determining the impairment provision required in respect of property to be demolished and contents therein
- estimating the market value of investment property
- assessing the recoverability of outstanding debtors for residential and care home fees
- assessing the appropriateness of the assumptions made by the actuary in arriving at the actuarial valuation of the charity's defined benefit pension scheme
- determining the value of designated funds set aside at the year end.

### **Income recognition**

Income is recognised in the period in which the group and/or charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

The group's main income source of income is from its charitable activities including care home residential, dementia and nursing fee income. Other income sources include donations, legacies, income from fundraising events, income from investments and interests from short term bank deposits and other sources.

Donations are recognised when the charity and/or group has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amounts are only accrued once formal pledge agreements are in place; if no such agreements exist the donations are recognised on receipt. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

## NOTES TO THE ACCOUNTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, the amount can be reasonably estimated, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Charity.

Entitlement is taken as the earlier of the date on which the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured, or estimated, reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity and/or group, or the Charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Charity.

Investment income is recognised once the dividend or similar income has been declared and notification has been received of the amount due.

Interest on funds held on short term deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Interest on fixed interest, fixed term deposits is recognised evenly across the deposit term.

Fees for residential and nursing care are recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. They are measured at the fair value of the consideration received or receivable based on agreements with residents and funding agencies, excluding any relevant value added tax.

Income from other sources is measured at fair value and on an accruals basis.

#### ***Expenditure recognition***

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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings as described in Note 7. The classification between activities is as follows:

- Expenditure on raising funds includes: the salaries, direct costs and overheads associated with generating donated income and legacies; the fees paid to investment managers in connection with maintaining the portfolio of listed investments; and the expenditure of the Charity's trading subsidiary in the UK.

## NOTES TO THE ACCOUNTS (CONTINUED)

### 1. Principal Accounting Policy (continued)

- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of charitable activities i.e. the provision of holistic quality care to older Jewish people. This includes expenditure on residential and nursing care and the depreciation of those assets used for care purposes.

All expenditure is stated inclusive of irrecoverable VAT.

#### Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity, it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice. Support costs and governance costs are apportioned based on the allocation basis as described in Note 7 to these accounts.

#### Tangible fixed assets

All items of furniture, fittings and equipment with a value in excess of £10,000 and which have an expected useful life exceeding one year are capitalised and depreciated.

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

- |                         |                  |
|-------------------------|------------------|
| • Freehold property     | 2% to 4% on cost |
| • Plant                 | 10% on cost      |
| • Fixtures and fittings | 25% on cost      |
| • Motor vehicles        | 25% on cost      |

Depreciation is not charged on buildings under construction or on freehold land.

#### 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. The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Properties held for investment are included in the accounts at their estimated current market value as determined by the directors of the corporate trustee after consultation with their professional property advisers.

## **NOTES TO THE ACCOUNTS (CONTINUED)**

### **1. Principal Accounting Policy (continued)**

Investments in UK trading subsidiaries are included in the accounts at cost with provision being made for any permanent diminution in value.

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 combined in the statement of financial activities and are credited (or debited) 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. Cash held by investment managers as part of their management strategy is included in fixed asset investments.

#### **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 structure**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the directors.

The designated funds are monies or assets set aside out of general funds and designated for specific purposes by the directors.

The tangible fixed assets fund represents the net book value of the tangible fixed assets used for the support of the work of the charity and/or group.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Non-charitable trading funds consist of the retained assets of activities conducted through non-charitable trading subsidiary.

## **NOTES TO THE ACCOUNTS (CONTINUED)**

### **1. Principal Accounting Policy (continued)**

#### **Pension contributions**

The charity contributes to a defined benefits pension scheme (which is closed to new members) providing benefits based on final pensionable salary. The assets of the scheme are held and managed separately from those of the charity. Pension scheme assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet.

Any change in the asset or liability between balance sheet dates is reflected in the statement of financial activities in recognised gains and losses for the period.

Contributions to the defined contributions scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

Since February 2014, all eligible members of staff (not already contributing to an eligible scheme) have been required to be auto-enrolled in a workplace pension scheme. Employer contributions to the scheme are charged to the statement of financial activities in the year in which they are payable.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are converted into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are converted into sterling using the average rates of exchange ruling during the period.

## NOTES TO THE ACCOUNTS (CONTINUED)

### 2. INCOME FROM DONATIONS AND LEGACIES

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2020 Total Funds</b>	<b>2019 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations (excludes gift aid)	2,984	238	<b>3,222</b>	1,327
Hammerson House capital fund	-	2,415	<b>2,415</b>	10,711
Legacies				
Revenue donations	320	-	<b>320</b>	284
Capital fund	-	-	-	600
<b>2020 Total Funds</b>	<b>3,304</b>	<b>2,653</b>	<b>5,957</b>	12,922
2019 Total Fund	1,413	11,509	12,922	

<b>Charity</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2020 Total Funds</b>	<b>2019 Total Funds</b>
	£'000	£'000	£'000	£'000
Donations:				
Revenue donations	3,852	238	<b>4,090</b>	1,878
Hammerson House capital fund	-	2,415	<b>2,415</b>	10,711
Legacies				
Revenue donations	320	-	<b>320</b>	284
Capital fund	-	-	-	600
<b>2020 Total Funds</b>	<b>4,172</b>	<b>2,653</b>	<b>6,825</b>	<b>13,473</b>
2019 Total Fund	1,964	11,509	13,473	

### 3. INCOME FROM INVESTMENTS

<b>Group</b>	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2020 Total Funds</b>	<b>2019 Total Funds</b>
	£'000	£'000	£'000	£'000
Income from listed investments by fund manager:				
Investment Income Veritas	144	-	<b>144</b>	235
Investment Income Schroders	168	25	<b>193</b>	111
Investment Income Goldman Sachs	38	6	<b>44</b>	160
	350	31	<b>381</b>	506
Rental income	8	-	<b>8</b>	8
Interest receivable	100	-	<b>100</b>	251
<b>2020 Total Funds</b>	<b>458</b>	<b>31</b>	<b>489</b>	765
2019 Total Fund	697	68	765	

## NOTES TO THE ACCOUNTS (CONTINUED)

### 3. INCOME FROM INVESTMENTS (CONTINUED)

	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2020 Total Funds</b>	<b>2019 Total Funds</b>
<b>Charity</b>	£'000	£'000	<b>£'000</b>	£'000
Income from listed investments by fund manager:				
Investment Income Veritas	144	-	<b>144</b>	235
Investment Income Schroders	168	25	<b>193</b>	111
Investment Income Goldman Sachs	38	6	<b>44</b>	160
	<hr/>	<hr/>	<hr/>	<hr/>
	350	31	<b>381</b>	506
Rental income	8	-	<b>8</b>	8
Interest receivable	105	-	<b>105</b>	256
	<hr/>	<hr/>	<hr/>	<hr/>
<b>2020 Total Funds</b>	<b>463</b>	<b>31</b>	<b>494</b>	770
2019 Total Fund	702	68	770	

### 4. INCOME FROM PROVISION OF RESIDENTIAL CARE AND NURSING

	<b>General Fund</b>	<b>Restricted Fund</b>	<b>2020 Total Funds</b>	<b>2019 Total Funds</b>
<b>Group and charity</b>	£'000	£'000	<b>£'000</b>	£'000
Maintenance contributions receivable	9,975	-	<b>9,975</b>	10,815
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total maintenance contributions receivable</b>	<b>9,975</b>	<b>-</b>	<b>9,975</b>	<b>10,815</b>

## NOTES TO THE ACCOUNTS (CONTINUED)

### 5. EXPENDITURE ON GENERATING DONATIONS AND LEGACIES

	General Fund	Designated Fund	Restricted Fund	2020 Total Funds	2019 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Group and Charity</b>					
Staff costs	313	-	-	<b>313</b>	291
Fundraising, legacy and appeal expenses	285	-	-	<b>285</b>	94
Support costs (Note 7)	39	-	-	<b>39</b>	85
<b>2020 Total Funds</b>	<b>637</b>	-	-	<b>637</b>	<b>470</b>
2019 Total Fund	467	-	3	470	

### 6. EXPENDITURE ON PROVISION OF RESIDENTIAL CARE AND NURSING

	General Fund	Designated Fund	Restricted Fund	2020 Total Funds	2019 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Group</b>					
Staff costs	7,524	-	297	<b>7,821</b>	8,384
Catering and food	1,087	-	-	<b>1,087</b>	1,231
Premises day to day costs	1,198	-	21	<b>1,219</b>	1,407
Medical, care and welfare costs	799	-	33	<b>832</b>	572
Support costs (Note 7)	2,011	-	-	<b>2,011</b>	1,759
Depreciation (Note 14)	-	339	684	<b>1,023</b>	1,003
<b>2020 Total Funds</b>	<b>12,619</b>	<b>339</b>	<b>1,035</b>	<b>13,993</b>	<b>14,356</b>
2019 Total Fund	13,208	315	833	14,356	

	General Fund	Designated Fund	Restricted Fund	2020 Total Funds	2019 Total Funds
	£'000	£'000	£'000	£'000	£'000
<b>Charity</b>					
Staff costs	7,524	-	297	<b>7,821</b>	8,384
Catering and food	1,087	-	-	<b>1,087</b>	1,231
Premises day to day costs	1,198	-	21	<b>1,219</b>	1,407
Medical, care and welfare costs	799	-	33	<b>832</b>	572
Support costs (Note 7)	2,011	-	-	<b>2,011</b>	1,759
Depreciation (Note 14)	-	339	684	<b>1,023</b>	1,026
<b>2020 Total Funds</b>	<b>12,619</b>	<b>339</b>	<b>1,035</b>	<b>13,993</b>	<b>14,379</b>
2019 Total Fund	13,208	338	833	14,379	

## NOTES TO THE ACCOUNTS (CONTINUED)

### 7. SUPPORT COSTS

The support costs and the basis of their allocation were:

	Generating donations and legacies	Provisions of residential and nursing care	Total	Basis of apportionment
<b>Group and Charity</b>	£'000	£'000	<b>£'000</b>	
Support Staff Cost	23	1,082	<b>1,105</b>	Head count
Administrative and Governance costs Information and Communication	3	294	<b>297</b>	Floor space
Technology	4	255	<b>259</b>	Head count
Insurance	4	161	<b>165</b>	Head count
Human Resources and Volunteering	5	219	<b>224</b>	Head count
<b>2020 Total - Group and Charity</b>	<b>39</b>	<b>2,011</b>	<b>2,050</b>	

Staff costs include staff salaries as detailed in Note 10

### 8. UK TRADING SUBSIDIARY

Nightingale Hammerson owns the entire called up ordinary share capital of Chalkford Limited, a property construction company (company registration number 01001396).

	2020	2019
	£'000	£'000
<b>Chalkford Limited</b>		
Turnover	<b>19,192</b>	12,621
Cost of sales	<b>(18,271)</b>	(12,020)
Administrative expenses	<b>(48)</b>	(45)
Operating profit	<b>873</b>	556
Interest payable	<b>(5)</b>	(5)
Profit before Gift Aid	<b>868</b>	551
Amount donated to Nightingale Hammerson	-	(551)
Retained profit	<b>868</b>	-

At 30 September 2020, Chalkford Limited had retained losses of £1k (2019: retained losses of £1k) and called up share capital of £1k (2019: £1k). The results and the balance sheet figures have been consolidated on a line by line basis within the accounts of Nightingale Hammerson.

## NOTES TO THE ACCOUNTS (CONTINUED)

### 9. NET EXPENDITURE ON INCOMING RESOURCES FOR THE YEAR

This is stated before transfers but after charging:

	<b>General Fund</b>	<b>Designated Fund</b>	<b>Restricted Fund</b>	<b>2020 Total Funds</b>	<b>2019 Total Funds</b>
<b>Group</b>	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 10)	8,940	-	297	<b>9,237</b>	9,722
Auditor's remuneration:					
Audit services - charity and consolidation	33	-	-	<b>33</b>	33
Other services	5	-	-	<b>5</b>	8
Depreciation (Note 14)	-	339	684	<b>1,023</b>	1,003

	<b>General Fund</b>	<b>Designated Fund</b>	<b>Restricted Fund</b>	<b>2020 Total Funds</b>	<b>2019 Total Funds</b>
<b>Charity</b>	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 10)	8,940	-	297	<b>9,237</b>	9,722
Auditor's remuneration:					
Audit services - charity and consolidation	30	-	-	<b>30</b>	30
Other services	4	-	-	<b>4</b>	11
Depreciation (Note 14)	-	339	684	<b>1,023</b>	1,026

### 10. STAFF COSTS

	<b>2020</b>	<b>2019</b>
<b>Group and charity</b>	<b>£'000</b>	£'000
Wages and salaries	<b>7,732</b>	7,925
Social security costs	<b>706</b>	689
Other Pension costs	<b>222</b>	209
	<b>8,660</b>	8,823
Payments to agency	<b>517</b>	789
Redundancy costs	<b>60</b>	45
Past service pension cost	-	65
	<b>9,237</b>	9,722

## NOTES TO THE ACCOUNTS (CONTINUED)

### 10. STAFF COSTS (Continued)

Of payments to agency staff, £380k (2019: £442k) represents payments in respect of one to one care provision to residents. No director of the corporate trustee received any remuneration or expenses from the group or charity during the year (2019 - £nil). The past pension service costs relate to an estimate of the GMP equalisation impact, as calculated by the scheme actuaries.

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer's pension contributions) were as follows:

	2020	2019
£60,000 - £70,000	2	2
£70,001 - £80,000	2	2
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	1

Of those employees who earned £60,000 or more during the year (as defined above), employer contributions totalling £31,625 (2019: £36,280) were made to defined contribution schemes in respect of seven (2019: seven) of them. No contributions were made to defined benefit schemes (2019: £nil).

The total remuneration, including benefits, employers pension contributions and employers national insurance contributions, paid to key management personnel in the year was £689k (2019: £647k).

The average number of employees, excluding agency staff, analysed by function, was:

	2020	2019
Generating funds	6	6
Residential and nursing care services	327	338
	<b>333</b>	<b>344</b>

### 11. TRUSTEES' REMUNERATION AND EXPENSES

No director of the corporate trustee received any remuneration or expenses from the group or charity during the year (2019: £nil).

The nature of the charity's activities means that from time to time relatives of the directors of the corporate trustee or staff may be cared for by the Charity. In 2020, one director of the corporate trustee had a relative cared for by the charity and all fees were set at arm's length (2019: one).

## NOTES TO THE ACCOUNTS (CONTINUED)

### 12. INDEMNITY INSURANCE

During the year, the charity purchased insurance to protect the group from loss arising from any wrongful or dishonest act of any director or employee and to indemnify any director or employee against the consequence of any wrongful act on their part. The total cover provided by such insurance was £10m (2019 - £10m) and the total premium paid in respect of such insurance was £12k (2019 - £8k).

### 13. TAXATION

Nightingale Hammerson and Camden Jewish Society are registered charities and therefore are not liable to income tax or capital gains tax on income or gains derived from their charitable activities, as they fall within the various exemptions available to registered charities.

Chalkford Limited donates any taxable profits to Nightingale Hammerson via Gift Aid each year.

### 14. TANGIBLE FIXED ASSETS

	<b>Freehold Property</b>	<b>Assets under Construction</b>	<b>Plant</b>	<b>Furniture, Equipment and Motor Vehicles</b>	<b>2020 Total</b>
<b>Group</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>					
At 1 October 2019	45,644	15,405	1,342	1,785	<b>64,176</b>
Additions	81	18,280	95	34	<b>18,490</b>
Disposals	-	-	-	-	-
At 30 September 2020	45,725	33,685	1,437	1,819	<b>82,666</b>
<b>Depreciation</b>					
At 1 October 2019	33,325	-	503	1,291	<b>35,119</b>
Charge for year	809	-	121	93	<b>1,023</b>
Disposals	-	-	-	-	-
At 30 September 2020	34,134	-	624	1,384	<b>36,142</b>
<b>Net book values</b>					
At 30 September 2020	11,591	33,685	813	435	<b>46,524</b>
At 30 September 2019	12,319	15,405	839	494	<b>29,057</b>

Assets under construction comprise the major development of Hammerson House (see financial commitments below). No value has been attributed to the leasehold land of the Hammerson House site as lease covenants require its use as a residential care facility.

Within the fixed assets is a property, Belmont Lodge, with net book value of £690k. Prior to the balance sheet date, trustees decided to market it for sale as it is surplus to requirement.

## NOTES TO THE ACCOUNTS (CONTINUED)

### 14. TANGIBLE FIXED ASSETS (CONTINUED)

	<b>Freehold Property</b>	<b>Assets under Construction</b>	<b>Plant</b>	<b>Furniture, Equipment and Motor Vehicles</b>	<b>2020 Total</b>
	£'000	£'000	£'000	£'000	£'000
<b>Charity Cost</b>					
At 1 October 2019	45,994	16,079	1,403	1,826	<b>65,302</b>
Additions	81	19,192	95	34	<b>19,402</b>
Disposals	-	-	-	-	-
At 30 September 2020	<b>46,075</b>	<b>35,271</b>	<b>1,498</b>	<b>1,860</b>	<b>84,704</b>
<b>Depreciation</b>					
At 1 October 2019	33,349	-	529	1,330	<b>35,208</b>
Charge for year	809	-	121	93	<b>1,023</b>
Disposals	-	-	-	-	-
At 30 September 2020	<b>34,158</b>	<b>-</b>	<b>650</b>	<b>1,423</b>	<b>36,231</b>
<b>Net book values</b>					
At 30 September 2020	<b>11,917</b>	<b>35,271</b>	<b>848</b>	<b>437</b>	<b>48,473</b>
At 30 September 2019	<b>12,645</b>	<b>16,079</b>	<b>874</b>	<b>496</b>	<b>30,094</b>

### 15. FINANCIAL COMMITMENTS

In December 2016 the directors of Nightingale Hammerson approved plans for a major development of the accommodation and facilities at Hammerson House. With an estimated cost of £41.5m (excluding demolition costs), the project involved redeveloping Hammerson House into a 116-bed care home with state of the art facilities, technology and fully furnished.

The Design and Build contract of the new Hammerson House was awarded to Chalkford Limited. In September 2018 a contract was signed between Chalkford Limited and the main contractor for the project for the sum of £38.9m. As at 30 September 2020, a total of £33.1m (2019: £14.7m) had been incurred under the build contract with £5.8m (2019: £21.5m) of costs committed but not yet incurred. A further £2.6m (2019: £5.7m) had been authorised but not yet contracted.

At 30 September 2020, neither the group or the charity had any further financial commitments that had been authorised but not contracted for or contracted for but which had not been provided for (2019 – £nil).

## NOTES TO THE ACCOUNTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS

	Investment Property	Listed Investments	2020 Total	2019 Total
Group	£'000	£'000	£'000	£'000
Market value at 1 October 2019	300	23,063	<b>23,363</b>	24,800
Additions at cost	-	21,940	<b>21,940</b>	2,365
Disposals at book value (proceeds:£22.3m with realised loss of £0.32m)	-	(22,621)	<b>(22,621)</b>	(6,407)
Reclassification from cash	-	-	-	1,475
Net unrealised investment gains	-	1,637	<b>1,637</b>	1,130
Market value at 30 September 2020	300	24,019	<b>24,319</b>	23,363
Cash awaiting investment	-	485	<b>485</b>	1,925
<b>Market value at 30 September 2020</b>	<b>300</b>	<b>24,504</b>	<b>24,804</b>	<b>25,288</b>
Cost of Investments at 30 September 2020	238	20,347	20,585	16,414

	Shares in subsidiary company	Investment Property	Listed Investments	2020 Total	2019 Total
Charity	£'000	£'000	£'000	£'000	£'000
Market value at 1 October 2019	1	300	23,063	<b>23,364</b>	24,801
Additions at cost	-	-	21,940	<b>21,940</b>	2,365
Disposals at book value (proceeds:£22.3m with realised loss of £0.32m)	-	-	(22,621)	<b>(22,621)</b>	(6,407)
Reclassification cash	-	-	-	-	1,475
Net unrealised investment gains	-	-	1,637	<b>1,637</b>	1,130
Cash awaiting investment	1	300	24,019	<b>24,320</b>	23,364
	-	-	485	<b>485</b>	1,925
<b>Market value at 30 September 2020</b>	<b>1</b>	<b>300</b>	<b>24,504</b>	<b>24,805</b>	<b>25,289</b>
Cost of Investments at 30 September 2020	1	238	20,347	20,586	16,415

#### Listed Investments

All listed investments are dealt in on a recognised stock exchange.

Listed Investments held at 30 September 2020 comprised the following:

	Listed Investments	2020 Total	2019 Total	2019 Total
Group and Charity	%	£'000	£'000	%
Fixed Interest	21%	<b>4,963</b>	6,854	30%
Equities	66%	<b>15,913</b>	12,970	56%
Alternatives	10%	<b>2,455</b>	356	2%
Multi-assets funds	2%	<b>402</b>	-	0%
Cash Instalments and unit funds	1%	<b>286</b>	2,883	12%
	100%	<b>24,019</b>	23,063	100%

## NOTES TO THE ACCOUNTS (CONTINUED)

### 16. FIXED ASSET INVESTMENTS (CONTINUED)

At 30 September 2020, the following investments holdings had a material value when compared to the market value of the total portfolio of listed investments as at that date.

	<b>Listed Investments</b>	<b>2020 Total</b>	<b>2019 Total</b>	<b>2019 Total</b>
<b>Group and Charity</b>	%	£'000	£'000	%
Goldman Sachs sterling liquid reserves class R shares	-	-	1762	8%
Vanguard FTSE All-World UCITS	22%	2,588	-	-

### Investment property

Investment property comprises of a long leasehold flat in a property situated in North London purchased by the charity during the year ended 30 September 2014. The directors of the corporate trustee have valued the property based upon information publicly available relating to similar properties in the same location.

### Subsidiary Undertaking

At 30 September 2020, Nightingale Hammerson owned the entire called up share capital of the following company:

<b>Company</b>	<b>Country of incorporation</b>	<b>Principal activity during the year</b>
Chalkford Limited	England	Property development

### 17. DEBTORS

	<b>2020</b>		<b>2019</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Maintenance contributions	<b>689</b>	<b>689</b>	549	549
Amount due from subsidiary undertaking (Note 24)	-	<b>1,268</b>	-	951
Legacies receivable	<b>101</b>	<b>101</b>	743	743
Donations pledged	<b>3,659</b>	<b>3,659</b>	4,683	4,683
Other accrued income	<b>14</b>	<b>14</b>	166	166
Other debtors	<b>504</b>	<b>419</b>	139	151
Prepayments	<b>61</b>	<b>61</b>	100	100
VAT debtor	<b>839</b>	-	586	-
	<b>5,867</b>	<b>6,211</b>	<b>6,966</b>	<b>7,343</b>

## NOTES TO THE ACCOUNTS (CONTINUED)

### 18. CREDITORS – AMOUNT FALLING DUE WITHIN ONE YEAR

	2020		2019	
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Amounts held on behalf of residents	473	473	494	494
Maintenance contributions received in advance	310	310	214	214
Expense creditors	187	187	324	324
Capital creditors	2,212	-	1,650	-
Social security and other taxation	184	184	180	191
Other creditors	311	311	426	429
Accruals	370	370	282	284
Amount due to subsidiary undertaking (Note 24)	-	2,540	-	1,320
	<b>4,047</b>	<b>4,375</b>	<b>3,570</b>	<b>3,256</b>

### 19. RESTRICTED FUNDS

The income funds of the group and charity include restricted funds comprising the following balances of donations and grants held on trusts to be applied for specific purposes:

	At 1	Gains, losses and transfers			At 30
	October 2019	Income	Expenditure		September 2020
Group	£'000	£'000	£'000	£'000	£'000
Nightingale House Fixed Assets Fund	10,096	-	(684)	-	9,412
Nightingale House Capital Fund	600	-	-	-	600
Hammerson House Capital Fund	4,683	2,415	-	(3,439)	3,659
Weinberg Funds	3,188	31	-	-	3,219
Donations Special Purpose	79	227	(2)	-	304
Janet and Howard Bloch funds	234	-	-	-	234
Nursery fund	4	1	(3)	-	2
Intergenerational fund	37	1	(7)	-	31
Infection control Grant	-	330	(330)	-	-
Other restricted funds	37	9	(9)	-	37
	<b>18,958</b>	<b>3,014</b>	<b>(1,035)</b>	<b>(3,439)</b>	<b>17,498</b>

## NOTES TO THE ACCOUNTS (CONTINUED)

### 19. RESTRICTED FUNDS (continued)

	At 1 October 2019	Income	Expenditure	Gains, losses and transfers	At 30 September 2020
	£'000	£'000	£'000	£'000	£'000
<b>Charity</b>					
Nightingale House Fixed Assets Fund	10,109	-	(684)	-	<b>9,425</b>
Nightingale House Capital Fund	600	-	-	-	<b>600</b>
Hammerson House Capital Fund	4,683	2,415	-	(3,439)	<b>3,659</b>
Weinberg Funds	3,188	31	-	-	<b>3,219</b>
Donations Special Purpose	79	227	(2)	-	<b>304</b>
Janet and Howard Bloch funds	234	-	-	-	<b>234</b>
Nursery fund	4	1	(3)	-	<b>2</b>
Intergenerational fund	37	1	(7)	-	<b>31</b>
Infection control Grant	-	330	(330)	-	-
Other restricted funds	35	9	(9)	-	<b>35</b>
	<b>18,969</b>	<b>3,014</b>	<b>(1,035)</b>	<b>(3,439)</b>	<b>17,509</b>

#### **Nightingale House Fixed Assets Fund**

This fund comprises the net book value of buildings and equipment used for the operation of Nightingale House, purchased with restricted funds. Each year the depreciation on these assets is charged to the fund.

#### **Nightingale House Capital Fund**

This fund comprises monies donated specifically towards the construction and development of new building projects on the site of Nightingale House which are as yet unspent.

#### **Hammerson House Capital Fund**

This fund comprise donations received specifically for the redevelopment of Hammerson House and as yet unspent.

#### **Weinberg Funds**

These funds were donated by The Harry and Jeanette Weinberg Fund and are held for the purpose of substantially upgrading the charity's care homes for the elderly at both Nightingale House and Hammerson House.

#### **Donations Special Purpose**

These funds comprise donations received towards a specific purpose.

#### **Janet and Howard Bloch funds**

These funds comprise monies to be used to provide additional services for the residents, specifically in terms of activities, and the provision of training.

#### **Nursery Fund**

This fund comprises the proportion of the construction costs of the Apples & Honey Nursery building that have been funded by Apples & Honey. Depreciation on the nursery building is charged to the fund each year.

#### **Intergenerational Fund**

This comprises monies received specifically for operation of the intergenerational programme.

#### **Infection control Grant**

Government grant received to provide support with C-19 infection control costs

## NOTES TO THE ACCOUNTS (CONTINUED)

### 20. DESIGNATED FUNDS

The income funds of the group and charity include the following designated funds which have been set aside for major capital projects:

	At 1 October 2019	New designations and transfers	Utilised / released	At 30 September 2020
<b>Group</b>	£'000	£'000	£'000	£'000
Hammerson House building fund	17,117	(14,841)	1,273	<b>3,549</b>
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	29,117	(14,841)	1,273	<b>15,549</b>
Hammerson House tangible fixed assets fund	15,405	18,280	-	<b>33,685</b>
Nightingale House tangible fixed assets fund	3,553	214	(339)	<b>3,428</b>
	<b>48,075</b>	<b>3,653</b>	<b>934</b>	<b>52,662</b>

	At 1 October 2019	New designations and transfers	Utilised / released	At 30 September 2020
<b>Charity</b>	£'000	£'000	£'000	£'000
Hammerson House building fund	17,117	(15,753)	2,185	<b>3,549</b>
Nightingale House building fund	8,500	-	-	<b>8,500</b>
Maintenance fund	3,500	-	-	<b>3,500</b>
	29,117	(15,753)	2,185	<b>15,549</b>
Hammerson House tangible fixed assets fund	16,079	19,192	-	<b>35,271</b>
Nightingale House tangible fixed assets fund	3,904	212	(339)	<b>3,777</b>
	<b>49,100</b>	<b>3,651</b>	<b>1,846</b>	<b>54,597</b>

## NOTES TO THE ACCOUNTS (CONTINUED)

### 20. DESIGNATED FUNDS (CONTINUED)

#### *Hammerson House building fund*

This comprises monies set aside by the directors to provide funds for the completion and furnishing of Hammerson House.

#### *Nightingale House building fund*

This comprises monies set aside by the directors to provide funds for redevelopment at Nightingale House.

#### *Maintenance fund*

This comprises monies set aside by the directors to provide funds for the ongoing building maintenance of our homes.

#### *Hammerson House tangible fixed assets fund*

This fund currently comprises the value of work-in-progress on the Hammerson House building and equipment. Once the building is completed, depreciation on these assets will be charged to the fund.

#### *Nightingale House tangible fixed assets fund*

The tangible fixed assets fund comprises the net book value of the charity's tangible fixed assets (excluding those accounted for the Nightingale House Fixed Assets Restricted Fund). A decision was made by the directors to separate this fund from the general fund in recognition of the fact that the tangible fixed assets are used in the day to day work of the charity and group and hence the fund value would not be easily realisable if needed to meet future contingencies.

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<b>General funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>2020 Total</b>
<b>Group</b>	£'000	£'000	£'000	<b>£'000</b>
<b>Fund balances at 30 September 2020 are represented by:</b>				
Tangible fixed assets	-	37,112	9,412	<b>46,524</b>
Investments	21,585	-	3,219	<b>24,804</b>
Current assets	586	15,550	4,867	<b>21,003</b>
Current liabilities	(4,047)	-	-	<b>(4,047)</b>
Pension scheme asset	1,146	-	-	<b>1,146</b>
<b>Total net assets</b>	<b>19,270</b>	<b>52,662</b>	<b>17,498</b>	<b>89,430</b>

## NOTES TO THE ACCOUNTS (CONTINUED)

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	General funds	Designated funds	Restricted funds	2020 Total
<b>Charity</b>	£'000	£'000	£'000	£'000
<b>Fund balances at 30 September 2020 are represented by:</b>				
Tangible fixed assets	-	39,048	9,425	<b>48,473</b>
Investments	21,586	-	3,219	<b>24,805</b>
Current assets	914	15,549	4,865	<b>21,328</b>
Current liabilities	(4,375)	-	-	<b>(4,375)</b>
Pension scheme asset	1,146	-	-	<b>1,146</b>
<b>Total net assets</b>	<b>19,271</b>	<b>54,597</b>	<b>17,509</b>	<b>91,377</b>

### 22. ANALYSIS OF UNREALISED GAINS / LOSSES

	General funds	Designated funds	Restricted funds	2020 Total
<b>Group and Charity</b>	£'000	£'000	£'000	£'000
Accumulated gains on listed investments	3,617	-	540	<b>4,157</b>
Accumulated gains on property	62	-	-	<b>62</b>
Total	<b>3,679</b>	-	<b>540</b>	<b>4,219</b>
Reconciliation of movements in unrealised gains (losses)				
Unrealised gains at 1 October 2019	5,159	-	315	<b>5,474</b>
Less: cumulative unrealised losses released from disposals	(2,517)	-	(375)	<b>(2,892)</b>
Add: Net unrealised gains on listed investments in year	1,425	-	212	<b>1,637</b>
Reallocation between funds in year	(388)	-	388	-
Accumulated unrealised gains	<b>3,679</b>	-	<b>540</b>	<b>4,219</b>

### 23. PENSION COMMITMENTS

Nightingale Hammerson operates a defined benefit scheme for certain former employees, providing benefits based on final pensionable pay. It also contributes to personal pension plans for current employees.

The defined benefit scheme is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 March 2017 and updated to 30 September 2020 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

## NOTES TO THE ACCOUNTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

This most recent actuarial valuation showed a surplus of £350,000. As there are no active members accruing benefits within the scheme, no further contributions are payable. The employer meets all expenses of the scheme and levies to the Pension Protection Fund, other than investment management charges which are borne by the scheme.

<b>Present values of defined benefit obligation, fair value of assets and defined benefit asset</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Fair value of plan assets	<b>5,107</b>	5,136
Present value of defined benefit obligation	<b>(3,961)</b>	(3,961)
Defined benefit asset at 30 September	<b>1,146</b>	1,175

<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Defined benefit obligation at start of period	<b>3,961</b>	3,458
Interest expense	<b>70</b>	92
Actuarial losses	<b>50</b>	462
Benefits paid and expenses	<b>(120)</b>	(116)
Losses due to past service costs	-	65
Defined benefit obligation at end of period	<b>3,961</b>	3,961

In line with last year's disclosures, a 1.61% GMP equalisation has been applied to the liabilities to allow for the impact on liabilities from the GMP equalisation ruling. Following the judgement of the High Court on 20 November 2020, transfers out of the Scheme between May 1990 and October 2018 need to be revisited and equalised for GMP (if applicable). No allowance had been made in the disclosure for GMP equalisation in the calculation of the benefit obligation as the ruling was made after the effective date of the disclosures.

<b>Reconciliation of opening and closing balances of the fair value of plan assets</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Fair value of plan assets at start of period	<b>5,136</b>	5,198
Interest income	<b>91</b>	139
Actuarial gains / (losses)	-	(85)
Benefits paid and expenses	<b>(120)</b>	(116)
Fair value of plan assets at end of period	<b>5,107</b>	5,136

## NOTES TO THE ACCOUNTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

The actual return on the plan assets over the period ended 30 September 2020 was £91k .

	2020 £'000	2019 £'000
<b>Defined benefit costs recognised in Statement of Financial Activities</b>		
Current service cost	-	-
Past service cost arising from GMP equalisation	-	65
Defined benefit costs recognised in Statement of Financial Activities	-	<b>65</b>
	<b>At 30 September 2020 £'000</b>	<b>At 30 September 2019 £'000</b>
<b>Defined benefit costs recognised in other comprehensive income</b>		
Gain / (loss) on plan assets (excluding amounts included in net interest cost)	-	(85)
Experience gain arising on plan liabilities	<b>17</b>	(6)
Gain resulting from changes in the demographic and financial assumptions underlying the present value of plan liabilities	<b>(67)</b>	(456)
Gain / (loss) from changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	<b>50</b>	612
Total gain recognised in other comprehensive income	-	<b>65</b>
	<b>At 30 September 2020 £'000</b>	<b>At 30 September 2019 £'000</b>
<b>Assets</b>		
UK Equities	<b>828</b>	992
Overseas Equities	<b>1,719</b>	1,614
Corporate Bonds	<b>2,312</b>	2,285
Government Bonds	<b>229</b>	226
Cash / Other	<b>19</b>	19
<b>Total Assets</b>	<b>5,107</b>	<b>5,136</b>

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

## NOTES TO THE ACCOUNTS (CONTINUED)

### 23. PENSION COMMITMENTS (CONTINUED)

<b>Assumptions</b>	<b>At 30 September 2020 %</b>	<b>At 30 September 2019 %</b>
Discount Rate	<b>1.00</b>	1.00
Inflation (RPI)	<b>3.00</b>	3.20
Salary growth		
Allowance for revaluation of deferred pensions of RPI or 5% if less	<b>3.00</b>	3.20
Allowance for revaluation of deferred pensions of RPI or 2.5% if less	<b>2.50</b>	2.50
Allowance for pension in payment increases of RPI or 5% if less	<b>2.90</b>	3.10
Allowance for pension in payment increases of RPI or 2.5% if less	<b>2.00</b>	2.10
Allowance for commutation of pension for cash at retirement	<b>25% of capitalised value of member's pension commuted for cash</b>	25% of capitalised value of member's pension commuted for cash

The mortality assumptions adopted at 30 September 2020 imply the following life expectancies at age 65:

	<b>2020</b>	<b>2019</b>
<b>Retiring today / current pensioners</b>		
Males	<b>21.8</b>	21.6
Females	<b>23.7</b>	23.5
<b>Retiring in 20 years / future pensioners</b>		
Males	<b>23.1</b>	22.6
Females	<b>25.2</b>	24.7

The best estimate of contributions to be paid by the employer to the scheme for the period commencing 1 October 2020 is £nil (2019: £nil). Any expenses of the scheme, other than investment management costs, are expected to be met directly by the employer or reimbursed by the employer if paid by the scheme.

#### **Personal Pension Plans and auto enrolment Schemes**

The total pension cost in respect to personal pension plans and auto enrolment schemes for the year was £0.22m (2019 - £0.21m).

## **NOTES TO THE ACCOUNTS (CONTINUED)**

### **24. RELATED PARTY TRANSACTIONS**

#### **Chalkford Limited**

Chalkford Limited became a wholly owned subsidiary of Nightingale House on 2 March 2004 and continues as a wholly owned subsidiary of Nightingale Hammerson post-merger. Three directors of Nightingale Hammerson Trustee Company Limited, Harvey Rosenblatt, David Winton and Eli Shahmoon are also the directors of Chalkford Limited.

Chalkford Limited made charitable contributions of £0.87m to Nightingale Hammerson during the year to 30 September 2020 (2019 - £0.55m). At 30 September 2020 Chalkford Limited owed Nightingale Hammerson £0.40m (2019: £0.40m) in accordance with a loan facility and a further £0.87m (2019: £0.55m) being charitable contributions payable to Nightingale Hammerson in respect to the year ended 30 September 2020. At 30 September 2020, Nightingale Hammerson owed Chalkford Limited £2.54m (2019: £1.32m) under a contract for the construction of property.

#### **Camden Jewish Society**

Camden Jewish Society was amalgamated into Nightingale Hammerson under a deed of collaboration on 1 May 2015 and remains as such. On 31 December 2017, the activities, assets and liabilities of Camden Jewish Society were transferred to Nightingale Hammerson Trustee Company. The charity has remained dormant from this date.

#### **Bantent Limited**

Melvin Lawson, is a sole director of Bantent Limited and also a director of the Corporate Trustee of Nightingale Hammerson. Nightingale Hammerson holds 17% of the allotted share capital of Bantent Limited. In the year ended 30 September 2020, Nightingale Hammerson received a donation, under Gift Aid, of £6,086 (2019 - £9,605) from Bantent Limited.

#### **Trustees donations**

During the year the charity received donations totalling £228,726 from 12 of the charity's Trustees and organisations to which they are connected (2019 - £101,075 from 9 trustees and connected organisations). In addition, £127,500 (2019 - £214,150) was received from the Vice President and organisations to which she is connected.

During the year, the charity purchased PPE equipment from Shieldware Limited, a company in which Melvin Lawson, one of the charity's trustees, is a controlling shareholder. The company was selected as a supplier after carrying out a detailed review in line with the charity's normal procurement process and the transactions were conducted on normal commercial terms. The value of PPE equipment purchased from the company during the year was £18,950 (including VAT). The trustee concerned made a donation to the charity to cover the cost of the PPE purchased.

### **25. POST BALANCE SHEET EVENTS**

After the balance sheet date, the charity received a settlement of £30k for losses suffered due to a lift malfunction, a condition that existed in prior year but for which an agreement was reached after the balance sheet date.

## NOTES TO THE ACCOUNTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS

#### Consolidated Statement of Financial Activities

	Unrestricted funds			2019 Total funds £'000
	General fund £'000	Designated funds £'000	Restricted funds £'000	
<b>Income from:</b>				
Donations and legacies				
Revenue purposes	1,964	—	198	<b>2,162</b>
Capital purposes	—	—	11,311	<b>11,311</b>
Investments and short term deposits	702	—	68	<b>770</b>
Charitable activities				
Provision of residential and nursing care	10,815	—	—	<b>10,815</b>
Funds acquired from subsidiary	276	—	—	<b>276</b>
Other sources				
<b>Total income</b>	<b>13,757</b>	<b>—</b>	<b>11,577</b>	<b>25,334</b>
<b>Expenditure on:</b>				
Raising funds				
Generating donations and legacies	467	—	3	<b>470</b>
Investment management costs	169	—	—	<b>169</b>
Charitable activities				
Provision of residential and nursing care	13,208	338	833	<b>14,379</b>
<b>Total expenditure</b>	<b>13,844</b>	<b>338</b>	<b>836</b>	<b>15,018</b>
<b>Net income (expenditure) for the year before gains (losses) on investments</b>	<b>(87)</b>	<b>(338)</b>	<b>10,741</b>	<b>10,316</b>
<b>Transfers between funds</b>	<b>(3,600)</b>	<b>10,848</b>	<b>(7,248)</b>	<b>—</b>
<b>Gains (losses) on investments</b>				
Realised gains (losses) on disposal of investments	(243)	—	—	<b>(243)</b>
Unrealised gains (losses) on listed investments	1,130	—	—	<b>1,130</b>
FX movements on currency swaps	(83)	—	—	<b>(83)</b>
	804	—	—	<b>804</b>
<b>Net income (expenditure) for the year</b>	<b>(2,883)</b>	<b>10,510</b>	<b>3,493</b>	<b>11,120</b>
<b>Other recognised gains and losses</b>				
Actuarial gains / (losses) on pension scheme	(547)	—	—	<b>(547)</b>
<b>Net movement in funds</b>	<b>(3,430)</b>	<b>10,510</b>	<b>3,493</b>	<b>10,573</b>
<b>Balances brought forward at October 2018</b>	<b>25,103</b>	<b>35,815</b>	<b>15,476</b>	<b>76,394</b>
<b>Balances carried forward at 30 September 2019</b>	<b>21,673</b>	<b>46,325</b>	<b>18,969</b>	<b>86,967</b>

## NOTES TO THE ACCOUNTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### Charity Statement of Financial Activities

	Unrestricted funds			2019 Total funds £'000
	General fund £'000	Designated funds £'000	Restricted funds £'000	
<b>Income from:</b>				
Donations and legacies				
Revenue purposes	1,964	—	198	<b>2,162</b>
Capital purposes	—	—	11,311	<b>11,311</b>
Investments and short term deposits	702	—	68	<b>770</b>
Charitable activities				
Provision of residential and nursing care	10,815	—	—	<b>10,815</b>
Funds acquired from subsidiary	276	—	—	<b>276</b>
Other sources				
<b>Total income</b>	<b>13,757</b>	<b>—</b>	<b>11,577</b>	<b>25,334</b>
<b>Expenditure on:</b>				
Raising funds				
Generating donations and legacies	467	—	3	<b>470</b>
Investment management costs	169	—	—	<b>169</b>
Charitable activities				
Provision of residential and nursing care	13,208	338	833	<b>14,379</b>
<b>Total expenditure</b>	<b>13,844</b>	<b>338</b>	<b>836</b>	<b>15,018</b>
<b>Net income (expenditure) for the year before gains (losses) on investments</b>	(87)	(338)	10,741	<b>10,316</b>
<b>Transfers between funds</b>	(3,600)	10,848	(7,248)	—
<b>Gains (losses) on investments</b>				
Realised gains (losses) on disposal of investments	(243)	—	—	<b>(243)</b>
Unrealised gains (losses) on listed investments	1,130	—	—	<b>1,130</b>
FX movements on currency swaps	(83)	—	—	<b>(83)</b>
	804	—	—	<b>804</b>
<b>Net income (expenditure) for the year</b>	<b>(2,883)</b>	<b>10,510</b>	<b>3,493</b>	<b>11,120</b>
<b>Other recognised gains and losses</b>				
Actuarial gains / (losses) on pension scheme	(547)	—	—	<b>(547)</b>
<b>Net movement in funds</b>	<b>(3,430)</b>	<b>10,510</b>	<b>3,493</b>	<b>10,573</b>
<b>Balances brought forward at 1 October 2018</b>	<b>25,103</b>	<b>35,815</b>	<b>15,476</b>	<b>76,394</b>
<b>Balances carried forward at 30 September 2019</b>	<b>21,673</b>	<b>46,325</b>	<b>18,969</b>	<b>86,967</b>

## NOTES TO THE ACCOUNTS (CONTINUED)

### 26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)

#### Income from donations and legacies

Group	General fund £'000	Restricted funds £'000	2019 Total funds £'000
Donations			
Revenue donations	1,129	198	<b>1,327</b>
Hammerson House capital fund	—	10,711	<b>10,711</b>
Legacies			
Revenue legacies	284	—	<b>284</b>
Capital funds	—	600	<b>600</b>
<b>2019 Total funds</b>	<b>1,413</b>	<b>11,509</b>	<b>12,922</b>

Charity	General fund £'000	Restricted funds £'000	2019 Total funds £'000
Donations			
Revenue donations	1,680	198	<b>1,878</b>
Hammerson House capital fund	—	10,711	<b>10,711</b>
Legacies			
Revenue legacies	284	—	<b>284</b>
Capital funds	—	600	<b>600</b>
<b>2019 Total funds</b>	<b>1,964</b>	<b>11,509</b>	<b>13,473</b>

#### Income from investments and short term deposits

Group	General fund £'000	Designated fund £'000	Restricted funds £'000	2019 Total funds £'000
Income from listed investments				
UK corporate loan stock	187	—	48	<b>235</b>
Foreign loan stock	91	—	20	<b>111</b>
Equities	160	—	—	<b>160</b>
	438	—	68	<b>506</b>
Rental income	8	—	—	<b>8</b>
Interest receivable	251	—	—	<b>251</b>
<b>2019 Total funds</b>	<b>697</b>	<b>—</b>	<b>68</b>	<b>765</b>

Charity	General fund £'000	Designated funds £'000	Restricted funds £'000	2019 Total funds £'000	2018 Total funds £'000
Income from listed investments					
UK corporate loan stock	187	—	48	<b>235</b>	290
Foreign loan stock	91	—	20	<b>111</b>	96
Equities	160	—	—	<b>160</b>	196
	438	—	68	<b>506</b>	582
Rental income	8	—	—	<b>8</b>	8
Interest receivable	256	—	—	<b>256</b>	111
<b>2019 Total funds</b>	<b>702</b>	<b>—</b>	<b>68</b>	<b>770</b>	<b>701</b>

**NOTES TO THE ACCOUNTS (CONTINUED)**

**26. COMPARATIVE FIGURES WITH FULL ANALYSIS BETWEEN FUNDS (CONTINUED)**

**Expenditure on provision of residential and nursing care**

<b>Group</b>	General fund £'000	Designated funds £'000	Restricted funds £'000	<b>2019 Total funds £'000</b>
Staff costs	8,327	—	57	<b>8,384</b>
Catering and food	1,231	—	—	<b>1,231</b>
Premises day to day costs	1,401	—	6	<b>1,407</b>
Medical, care and welfare costs	509	—	63	<b>572</b>
Support costs	1,744	—	19	<b>1,759</b>
Depreciation	—	315	688	<b>1,003</b>
<b>2019 Total funds</b>	<b>13,208</b>	<b>315</b>	<b>833</b>	<b>14,356</b>

<b>Charity</b>	General fund £'000	Designated funds £'000	Restricted funds £'000	<b>2019 Total funds £'000</b>
Staff costs	8,327	—	57	<b>8,384</b>
Catering and food	1,231	—	—	<b>1,231</b>
Premises day to day costs	1,401	—	6	<b>1,407</b>
Medical, care and welfare costs	509	—	63	<b>572</b>
Support costs	1,740	—	19	<b>1,759</b>
Depreciation	—	338	688	<b>1,026</b>
<b>2019 Total funds</b>	<b>13,208</b>	<b>338</b>	<b>833</b>	<b>14,379</b>

<b>Group</b>	Generating donations and legacies £'000	Provision of residential and nursing care £'000	<b>Total £'000</b>	Basis of apportionment
Staff costs	20	1,067	<b>1,087</b>	Time apportioned
Premises costs	15	59	<b>74</b>	Floor space
Office costs	49	595	<b>644</b>	Pro rata expenditure
Other costs	—	—	—	Pro rata expenditure
Governance costs	1	38	<b>39</b>	Pro rata expenditure
<b>2019 Total</b>	<b>85</b>	<b>1,759</b>	<b>1,844</b>	

<b>Charity</b>	Generating donations and legacies £'000	Provision of residential and nursing care £'000	<b>Total £'000</b>	Basis of apportionment
Staff costs	20	1,067	<b>1,087</b>	Time apportioned
Premises costs	15	59	<b>74</b>	Floor space
Office costs	49	595	<b>644</b>	Pro rata expenditure
Other costs	—	—	—	Pro rata expenditure
Governance costs	1	38	<b>39</b>	Pro rata expenditure
<b>2019 Total</b>	<b>85</b>	<b>1,759</b>	<b>1,844</b>	

## **TRUSTEE BIOGRAPHIES**

### **Harvey Rosenblatt - President**

Harvey has worked in the property industry since 1972 and is a director of numerous property companies involved in development and investment. Between 2008 and 2016 he served as Chairman of Nightingale Hammerson.

### **Melvin Lawson - Chairman**

Melvin is an investor in technology and property. He was a director of A. Beckman plc, and is currently a Non-Executive Director of Telecom Plus plc, Satellite Information Services (holdings) Ltd and Catalyst Media Group plc. He is also Vice-Chairman of Central Synagogue and has been a Director of Nightingale Hammerson for the past ten years.

### **David Winton – Honorary Joint Treasurer**

David is a director of a group of property companies. He served as Treasurer of the Western Marble Arch Synagogue from 1988 to 2002 and Vice President from 2002 to 2006 when he was elected Honorary Life President. He was appointed a Director and Treasurer of Nightingale Hammerson in 2002 and served as Deputy Chairman from 2008 to 2015.

### **John Reizenstein – Honorary Joint Treasurer**

John joined the Board of Nightingale Hammerson in 2018. He is also Chairman of Farm Africa, a member of the Boards of Scottish Widows and of Beazley plc (specialist insurers) and a member of the Panel on Takeovers and Mergers. John has had a long career in finance, most recently as Chief Financial Officer of Direct Line Insurance Group plc, from which he retired in 2018.

### **Carolyn Balcombe**

Carolyn was responsible for the retail division of the Chinacraft Group of Companies which consisted of a number of high street stores selling fine china and glass to an international customer base. She was one of the first women to be elected onto the Western Marble Arch Synagogue Board of Management where she stayed for over 10 years. Carolyn has a long standing family association with Nightingale Hammerson and in 2015, she co-chaired the last stages of the Nightingale Hammerson Campaign Dinner. In 2018 and 2020 she co-chaired both dinners from initial concept to implementation. She joined the Board in 2020.

### **Colin Green**

Colin was a solicitor in partnership in private practice and then the General Counsel of British Telecommunications (BT). Subsequently, he was BT's Group Commercial Director and Company Secretary. He was for 10 years, Chairman of Hermes Group Pension Scheme. He is now a voluntary adviser for the Citizen's Advice Bureau, a trustee of Kingston Refugee Action and Chairman of Green Aid.

### **Daniel Dayan**

Daniel is a professional mechanical engineer and business executive, who has spent many years in manufacturing industry worldwide. His experiences in recent years have been as Chief Executive and Chair, of both private and public companies. He has been a charity trustee for many years, including becoming Deputy Chair of Freedom from Torture, and co-founded the Wimbledon Synagogue Ark Project, which has supported a family of Syrian refugees to settle in the UK

## **TRUSTEE BIOGRAPHIES (CONTINUED)**

### **Jacqueline Morris**

Jacqueline is a retired Consultant Geriatrician who is a Vice-President of The Patients Association and a member of the Royal College of Physicians' Audit Committee on End of Life care. As well as working at leading London hospitals for nearly forty years, she set up and ran one of the first care home teams in Camden and was a member of the Professional Advisory Group for Electronic Palliative Care Co-ordination. Having completed a research project on End of Life care in advanced dementia with Jewish Care, she is currently involved with two further care home projects and holds a number of honorary and advisory positions including Medical Advisor to Age UK London.

### **Joanne Black**

Joanne is a director of the Regatta Group where she holds a variety of key roles. This includes heading up an extensive social responsibility program. She is particularly proud of the Regatta school for disabled children and the women's health education program that she runs in Bangladesh. Alongside this role she is Vice Chair of the Outdoor Industry Association.

### **Keith Barnett**

Keith is a partner and Head of Real Estate at City law firm, Taylor Wessing LLP. Prior to that he was a founding partner of Andersen Legal. He has been listed in The Lawyer magazine's list of top 100 lawyers. Active in the Jewish Community, he has chaired the Hampstead Garden Suburb Synagogue and has been a Trustee and Vice-President of the United Synagogue. Keith is a Trustee of the Chief Rabbinate Trust and is an external adviser to a number of Jewish and non-Jewish charities. He brings extensive property, legal and community knowledge to the Board.

### **Rosalind Taylor**

Ros is a palliative care physician who has worked many years in the hospice world, most recently in the palliative care team at the Royal Marsden Hospital. She was CEO and Medical Director at the Hospice of St Francis in Berkhamsted, Herts for 18 years and then Clinical Director at Hospice UK, a national charity supporting the development of palliative care throughout the UK. She has a particular interest in care home medicine and chairs Nightingale Hammerson's Care Quality Improvement Board. She received an MBE for services to hospice care in 2014, and remains in clinical practice at the Michael Sobell Hospice at Mount Vernon Hospital.

### **Susan Grant**

Susan is a trained counsellor with extensive experience in running reminiscence groups as well as bereavement and family counselling. As well as being a member of the Board of the Claims Conference for Material Reparation, she was Vice Chairman of Jewish Care from 2005 to 2009, a member of the Board of the European Council for Jewish Communities and an Otto Schiff Housing Association council member. In 2012 she formed Six Point Foundation, a charity which supports survivors and refugees who were persecuted by the Nazis and are in necessitive circumstances.