

QUEEN ALEXANDRA COTTAGE HOMES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

QUEEN ALEXANDRA COTTAGE HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr I M A Stewart Mr P R Austin Mr N D Rogers	(Chairman)
Senior Management	Mr P Buckland Ms S Spring	
Charity number	209208	
Registered Office	557 Seaside Road Eastbourne East Sussex BN23 6NE	
Auditor	James Todd & Co Limited Drayton House Drayton Lane Chichester West Sussex PO20 2EW	
Bankers	Barclays Bank Plc 63-67 Terminus Road Eastbourne East Sussex BN21 3PQ	
Solicitors	Mayo Wynne Baxter 20 Gildredge Road Eastbourne East Sussex BN21 4RP	

QUEEN ALEXANDRA COTTAGE HOMES

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QUEEN ALEXANDRA COTTAGE HOMES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and accounts for the year ended 31 March 2021

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Created in 1906 by Alderman Simmons and his colleagues, Queen Alexandra Cottage Homes has, with the aid of many generous benefactors, experienced major redevelopments in recent years and now proudly promotes an ethos of high quality in both the level of care provided for its residents and the environment in which this care is offered.

The Homes currently provide an impressive range of facilities for up to one hundred and ten older people, which allow them to move from independence, through care in the home, to residential and nursing care within the same complex.

These facilities include thirty-six one-bedroom flats, two of which are designed for people with disabilities; nine bungalows; fifteen studio flats; a twenty-eight place residential and nursing care wing; and two large residents' lounges, all set within delightful landscaped gardens.

Achievements and performance

This year has been an exceptionally difficult year due to the Covid-19 pandemic and coping with the rules governing the Homes to ensure the safety of the residents and staff. Financially it has been very difficult with additional expenses and only partial support from the Government funding.

It has been exceptionally difficult for the residents locked in to the Homes and their families who were unable for large periods of time to visit. There has been considerable stress on all but we have managed to keep going due to the enormous help and work from the staff throughout the Homes.

Financially the Homes are having to consider the position in relation to various aspects of the operation of the Homes and these are being subject to independent review.

As in previous years The Homes have continued to commit significant resources to a major programme of works.

The trustees readily acknowledge that the Independent Living and Care Wing staff have once again worked incredibly hard to provide consistently high standards of care. Much of their work goes 'beyond the call of duty' and they continue to be an immense credit to the Homes.

There is an on-going programme of staff training has been further developed this year and now includes a comprehensive schedule of mandatory training modules.

Residents continue to enjoy the wide range of social and recreational activities which are on offer and mutual care and support is a feature of life in the Homes.

The administrative requirements involved in the Homes' operation continue to increase, and the trustees are again indebted to the Administrators who have worked incredibly hard behind the scenes. Much of the work that they do goes largely unrecognised and the trustees are thankful to them all of their efforts.

The Friends have continued to carry out numerous fund-raising events and as a result of their efforts have been able to contribute towards further improvements throughout the Homes. The Homes are indebted to the Chair of the Friends and the Friends team for their efforts and for their significant on-going support and enthusiasm.

We are, as always, indebted to the considerable generosity of numerous benefactors and our sincere gratitude goes to all those who have contributed.

Financial review

The results show a deficit for the year of £197,196 compared to a deficit in the previous year of £320,695. Unrestricted fund balances at the year end were £1,895,528.

The trustees are working to resolve the issues that are affecting all care and residential homes due to reduced numbers of nursing staff and reduction of funding in the sector. Details of the financial situation are given in the annual accounts which are attached.

The trustees regularly review the levels of reserves of the Charity to ensure that the properties owned by the Charity are adequately maintained and comply with statutory requirements and that sufficient funds are available to cover the running expenses of the Homes should there be any temporary changes to occupancy levels.

Risk review

The trustees have given consideration to the major risks to which the charity is exposed and have instigated systems which are designed to monitor and mitigate these risks. In addition to the external inspections carried out by the Care Quality Commission, internal quality management reviews are carried out and regular meetings of residents and staff are held.

Plans for future periods

The trustees have, with the Senior Management Team, continued work to refine objectives and develop strategies for the Homes for the longer term.

Peter Buckland will be continuing to plan further improvements in the Care Wing and the trustees will be giving him their full support as we strive to achieve an 'Outstanding' rating for the Care Wing from the Care Quality Commission.

The implementation of the new digital systems will take a significant amount of work, however once completed this will enable the care staff to provide an even better and more responsive level of care, which we hope will go a long way towards achieving the highest possible rating.

A rolling programme of maintenance has also been agreed subject to financial constraints.

The trustees are continuing to review the constitutional structure of the Homes, which has remained unaltered since its inception in 1906, to consider a more appropriate organisational model in keeping with modern day charitable law.

In planning our activities for this and for forthcoming years we have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Structure, governance and management

The Charity is an unincorporated Trust governed by a Deed of Trust dated 27 March 1906. It is registered with the Charity Commission under charity number 209208. The registered office is 557 Seaside Road, Eastbourne, East Sussex BN23 6NE.

The trustees who served during the year were:

Mr I M A Stewart

Mr P R Austin

Mr N D Rogers

Mr M J Fleming (Resigned 31/10/2021)

Mr J Pitcher (Resigned 31/12/2022)

Mrs R Wattis (Resigned 31/08/2022)

Summary

The trustees once again wish to place on record their thanks to all the staff of the Homes for their efforts in the last year. They rightly believe that the Homes are second to none in Eastbourne and that the staff deserve all due credit for achieving this reputation.

The trustees are grateful to our General Manager Peter Buckland for his efforts throughout the year to ensure the smooth running of the Homes. We thank him wholeheartedly, on behalf of the trustees, and indeed the residents of the Homes.

The trustees also extend their thanks to all those who have helped to contribute to life at the Homes and appreciate that much of the work goes largely unrecognised.

The residents throughout the Homes continue to enjoy a high quality of care and a wide range of facilities in a delightful setting, and the trustees look forward to ensuring that this continues for the future.

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

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

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

The trustees' report was approved by the board of trustees.



Mr I M A Stewart

Trustee

Dated: 01 / 04 / 2025

QUEEN ALEXANDRA COTTAGE HOMES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF QUEEN ALEXANDRA COTTAGE HOMES

Opinion

We have audited the financial statements of Queen Alexandra Cottage Homes (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

QUEEN ALEXANDRA COTTAGE HOMES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF QUEEN ALEXANDRA COTTAGE HOMES

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from frauds higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

QUEEN ALEXANDRA COTTAGE HOMES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF QUEEN ALEXANDRA COTTAGE HOMES



Oliver Read FCCA ACA (Senior Statutory Auditor)
On behalf of James Todd & Co Limited
Chartered Accountants
Statutory Auditor

02 / 04 / 2025

James Todd & Co Limited
Drayton House
Drayton Lane
Chichester
West Sussex
England
PO20 2EW

James Todd and Co Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

QUEEN ALEXANDRA COTTAGE HOMES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Total 2020 £
Income from:			
Donations and legacies	3	35,898	33,155
Charitable activities			
Care Wing fees	4	1,342,930	1,310,967
General rents	4	640,163	607,484
Sundry charitable income	4	90,184	36,398
Investments	5	56	859
Total income		2,109,231	1,988,863
Expenditure on:			
Charitable activities			
Care Wing costs	6	1,404,779	1,303,353
Warden care and property costs	6	292,939	381,952
Central services	6	455,289	432,355
Depreciation	6	153,420	191,898
Total charitable expenditure		2,306,427	2,309,558
Net expenditure for the year/ Net movement in funds		(197,196)	(320,695)
Fund balances at 1 April 2020		2,092,724	2,413,419
Fund balances at 31 March 2021		1,895,528	2,092,724

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

QUEEN ALEXANDRA COTTAGE HOMES

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		4,363,860		4,514,346
Current assets					
Debtors	11	170,211		180,045	
Cash at bank and in hand		3,379		63,324	
		173,590		243,369	
Creditors: amounts falling due within one year	12	(470,130)		(763,483)	
Net current (liabilities) / assets			(296,540)		(520,114)
Total assets less current liabilities			4,067,320		3,994,232
Creditors: amounts falling due after more than one year	13		(2,171,792)		(1,901,508)
Net assets			1,895,528		2,092,724
Income funds					
Unrestricted funds			1,895,528		2,092,724
			1,895,528		2,092,724

The accounts were approved by the trustees on 01 / 04 / 2025



Mr I M A Stewart
Trustee

QUEEN ALEXANDRA COTTAGE HOMES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	16		45,723		(52,239)
Investing activities					
Purchase of tangible fixed assets		(2,934)		(14,949)	
Interest received		56		859	
Net cash used in investing activities			(2,878)		(14,090)
Financing activities					
Repayment of bank loans		(102,790)		(117,928)	
Net cash used in financing activities			(102,790)		(117,928)
Net decrease in cash and cash equivalents			(59,945)		(184,257)
Cash and cash equivalents at beginning of year			63,324		247,581
Cash and cash equivalents at end of year			3,379		63,324
Relating to:					
Bank balances and short term deposits			3,379		63,324
Bank overdrafts			-		-

QUEEN ALEXANDRA COTTAGE HOMES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Queen Alexandra Cottage Homes is an unincorporated Trust governed by a Deed of Trust dated 27 March 1906. It is registered with the Charity Commission under charity number 209208. The registered office is 557 Seaside Road, Eastbourne, East Sussex BN23 6NE.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. The charity's income consists of income from charitable activities, donations and legacies or investment income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from charitable activities represents residential fees and rental charges which are recognised when receivable.

Investment income is wholly bank interest generated and is recognised when receivable.

QUEEN ALEXANDRA COTTAGE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

All expenditure is incurred in pursuit of the charity's objects as laid down in the Trust deed and is recognised in the accounts when payable. It includes irrecoverable VAT.

Charitable expenditure comprises that related to running the care wing, the residential properties and expenditure on services central to the running of the charity. The costs include both direct costs and support costs relating to such activities.

Support costs, including governance costs, are those functions that assist the deliverance of the charitable activities. Governance costs comprise expenditure for advice on constitutional and statutory matters and the costs of compliance. Support costs relate to all charitable activities and have been allocated to central services.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line basis
Equipment	25% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

QUEEN ALEXANDRA COTTAGE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Depreciation and residual values

The trustees have reviewed the asset lives and associated residual values of freehold land and buildings and have concluded that the asset lives and residual values are appropriate.

QUEEN ALEXANDRA COTTAGE HOMES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	2021 £	2020 £
Donations and legacies	35,898	33,155

4 Charitable activities

	Care Wing fees £	General rents £	Sundry charitable income £	Total 2021 £	Total 2020 £
Care wing fees	1,342,930	-	-	1,342,930	1,310,966
Charitable rental income	-	640,163	-	640,163	607,484
Other income	-	-	90,184	90,184	36,398
	1,342,930	640,163	90,184	2,073,277	1,954,848

5 Investments

	Unrestricted Funds 2021 £	Total 2020 £
Interest receivable	56	859

QUEEN ALEXANDRA COTTAGE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Care Wing costs	Warden care and property costs	Central services	Depreciation	Total 2021	Total 2020
	£	£	£	£	£	£
Staff costs	1,107,948	97,520	328,796	-	1,534,264	1,506,966
Depreciation and Impairment	-	-	-	153,420	153,420	191,898
Catering	54,154	-	-	-	54,154	71,338
Non-food supplies	89,644	-	-	-	89,644	87,661
General expenses and supplies	9,964	10,066	-	-	20,030	75,473
Water and sewerage	-	10,271	-	-	10,271	8,137
Electricity and gas	143,069	38,458	-	-	181,527	61,526
Gardens upkeep and maintenance	-	26,744	-	-	26,744	25,044
Repairs and maintenance	-	104,450	-	-	104,450	134,772
Council tax	-	2,611	-	-	2,611	2,499
Cleaning	-	2,819	-	-	2,819	3,358
Stationery and postage	-	-	11,848	-	11,848	18,727
Mortgage interest	-	-	62,687	-	62,687	74,122
Telephone	-	-	10,084	-	10,084	12,442
Insurance	-	-	15,708	-	15,708	14,347
Advertising	-	-	1,578	-	1,578	1,458
Legal and professional fees	-	-	11,088	-	11,088	8,840
	1,404,779	292,939	441,789	153,420	2,292,927	2,298,608
Share of governance costs (see note 7)	-	-	13,500	-	13,500	10,950
	1,404,779	292,939	455,289	153,420	2,306,427	2,309,558
Analysis by fund						
Unrestricted funds	1,404,779	292,939	455,289	153,420	2,306,427	
	1,404,779	292,939	455,289	153,420	2,306,427	
For the year ended 31 March 2020						
Unrestricted funds	1,303,353	381,952	432,355	191,898		2,309,558
	1,303,353	381,952	432,355	191,898		2,309,558

QUEEN ALEXANDRA COTTAGE HOMES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

7 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Audit fees	0	9,500	9,500	8,000
Accountancy	0	3,000	3,000	2,000
Bookkeeping	0	1,000	1,000	950
	<u>0</u>	<u>13,500</u>	<u>13,500</u>	<u>10,950</u>
Analysed between Charitable activities	<u>0</u>	<u>13,500</u>	<u>13,500</u>	<u>10,950</u>

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Care Wing	51	51
Warden care and property costs	6	6
Central services	15	14
	<u>72</u>	<u>71</u>

Employment costs

	2021 £	2020 £
Wages and salaries	1,393,445	1,369,480
Social security costs	89,730	90,416
Other pension costs	51,089	47,070
	<u>1,534,264</u>	<u>1,506,966</u>

The Trust considers its key management personnel to comprise the trustees and the Senior Management. The total employment benefits including employer pension contributions of the key management personnel was £143,311 (2020 £139,623).

There were no employees whose annual remuneration was £60,000 or more.

QUEEN ALEXANDRA COTTAGE HOMES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

9 Tangible fixed assets	Freehold land and buildings £	Equipment £	Total £
Cost			
At 1 April 2020	6,933,582	452,366	7,385,948
Additions		2,934	2,934
At 31 March 2021	6,933,582	455,300	7,388,882
Depreciation and impairment			
At 1 April 2020	2,446,517	425,085	2,871,602
Depreciation charged in the year	137,632	15,788	153,420
At 31 March 2021	2,584,149	440,873	3,025,022
Carrying amount			
At 31 March 2021	4,349,433	14,427	4,363,860
At 31 March 2020	4,487,065	27,281	4,514,346

Freehold land and buildings held for use by the Charity are stated at historical cost. It is the trustees' opinion that the market value of the freehold land and buildings is significantly higher than the carrying value. However, without a formal valuation being undertaken, it is not possible to accurately assess the current market value.

10 Financial instruments	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	170,211	180,045
Carrying amount of financial liabilities		
Measured at amortised cost	2,641,922	2,640,509
11 Debtors		
Amounts falling due within one year:	2021 £	2020 £
Trade debtors - Care wing fees	137,901	149,988
Other debtors	32,310	30,057
	170,211	180,045

For the year ended 31 March 2021 and 2020 Care wing fees debtors includes fees invoiced in advance which are included in Note 12 Creditors: amounts falling due within one year.

QUEEN ALEXANDRA COTTAGE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans and overdrafts	14	278,197	579,143
Other taxation and social security		23,903	24,482
Payments received on account		76,768	95,014
Trade creditors		45,698	33,487
Other creditors		39,432	27,471
Accruals and deferred income		6,132	3,886
		<u>470,130</u>	<u>763,483</u>

13 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	14	2,171,792	1,901,508
		<u>2,171,792</u>	<u>1,901,508</u>

14 Loans and overdrafts

	2021 £	2020 £
Bank overdrafts	86,447	39,072
Bank loans	2,363,542	2,441,579
	<u>2,449,989</u>	<u>2,480,651</u>
Payable within one year	191,750	579,143
	<u>2,641,739</u>	<u>3,059,794</u>

The loans and overdrafts of £2,449,989 are secured by legal charges over 557 Seaside, Eastbourne (and adjoining bungalows) and Pauling House, Spencer Road, Eastbourne. The loans are approximately 15.8% of the value of the property charged

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to income and expenditure account in respect of defined contribution schemes during the year was £51,089 (2020 £47,070).

QUEEN ALEXANDRA COTTAGE HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16	Cash generated from operations	2021 £	2020 £
	Deficit for the year	(197,196)	(320,695)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(56)	(859)
	Depreciation and impairment of tangible fixed assets	153,420	191,898
	Movements in working capital:		
	Decrease/(increase) in debtors	9,834	11,553
	(Decrease)/Increase in creditors	79,721	65,864
	Cash (absorbed by)/generated from operations	45,723	(52,239)

17 Trustees' Interest in Contracts and Related Party Transactions

Mr N D Rogers is the principal of Rogers & Company and this firm was paid for accountancy services at a cost of £1,000 (2020 £900) in the year.

None of the other Trustees received any remuneration or expenses.