

THE ROYAL CAMBRIDGE HOME

AUDITED

**TRUSTEES' REPORT
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2022**

THE ROYAL CAMBRIDGE HOME

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 6
Trustees' Responsibilities Statement	7
Independent Auditors' Report on the Financial Statements	8 - 11
Consolidated Statement of Financial Activities	12
Consolidated Balance Sheet	13
Charity Balance Sheet	14
Consolidated Statement of Cash Flows	15
Notes to the Financial Statements	16 - 32

THE ROYAL CAMBRIDGE HOME

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Mr R H Dowler MBE Major J T Tatham Mr J Ross FCSI Mr G F Balfour BSc Col. N E L Gilbert Mr A D Bott FCCA Mr J M L Williams MA
Charity registered number	225674
Principal office	82/84 Hurst Road East Molesey Surrey KT8 9AH
Independent auditors	Wellden Turnbull Limited Albany House Claremont Lane Esher Surrey KT10 9FQ
Bankers	National Westminster Bank PLC 73 High Street Walton on Thames Surrey KT12 1DW
Solicitors	Moore Blatch Onslow House 9 The Green Richmond Surrey TW9 1PU

THE ROYAL CAMBRIDGE HOME
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees of the Royal Cambridge Home have the honour to present its one hundred and sixty eighth Annual Report and Statement of Accounts for the year ended 31st March 2022.

Objectives & Activities, Structure Governance and Management

The Royal Cambridge Home is an incorporated charity constituted under the charity's governing document dated 26th February 1996 and following discussions with the Charity Commission the Trustees made application to the Commission for the Constitution of the Home to be altered. The revised Constitution was sealed by the Commission and received by the Trustees on 13th June 2007. The day to day activities of the Charity have, since 1st April 2009, been conducted by Royal Cambridge Home Limited and Royal Cambridge Home Trading Limited. The Charity retains ownership of the freehold title to the premises of the Charity.

The Trustees who have served during the year are set out on page 1. Trustees are appointed by the board of trustees. The General Purposes Committee comprises the Trustees, associated interested parties, the Home's Manager and advisers and meets regularly to receive reports and to agree policy, financial and administrative matters.

The Trustees are aware that there have been no new trustees appointed to replace those who have resigned in the past three years and are therefore proposing to invite applications from members of the public to join the board of trustees. In considering applications the trustees will be looking for individuals who apart from empathising with the ethos of the Royal Cambridge Home will be able to contribute through their experience and expertise in the fields of health care, human relations and public relations.

Efforts to pursue this search have been severely hampered by the incidence of the Covid 19 epidemic throughout 2021 and 2022 to date. However a potential trustee has been identified and it is very much hoped that their knowledge and experience will be of great benefit to the board of trustees.

Any prospective trustee will be mentored by existing trustees and invited to attend, as observers, meetings of the directors of Royal Cambridge Home Limited in order to gain insight into the day to day workings of the Home.

The day to day administration of the Home is the responsibility of the Manager who reports to the Directors of the Royal Cambridge Home Limited and the Royal Cambridge Home Trading Limited and to the General Purposes Committee of the Royal Cambridge Home.

The Home subscribes to the Living Wage organisation and staff pay rates which are reviewed to take effect from 1st April each year adhere to the percentage increase announced annually. Pay for key management personnel is reviewed to take effect from 1st April each year and as a benchmark reflects the increase in percentage terms of the Living Wage organisation with adjustments, where appropriate, to reflect the undertaking of additional responsibilities.

Following discussions with the Charity Commission on 26th April 2016 a revised Scheme was issued the effect of which was to amend the name of the Charity from The Royal Cambridge Home for Soldiers' Widows to The Royal Cambridge Home and to extend the definition of its beneficiaries (as shown below in paragraph (3). The Charity's objects are as follows:-

3. (1) (a) The relief of beneficiaries who are in need by virtue of financial hardship, sickness, disability or the effects of old age by the provision of a home.

(b) The relief of beneficiaries who are in need by virtue of financial hardship, sickness, disability or the effects of old age by the provision of grants, loans, gifts, pensions or otherwise.

(2) In furtherance of Clause 3 (1) (a) the Trustees may assist beneficiaries by providing sheltered accommodation, residential care, nursing and day respite care.

(3) The Trustees must continue to provide a home on land belonging to the Charity.

In this context the term "beneficiaries" means:

1. Women who have served in the Armed Forces of the Crown and

THE ROYAL CAMBRIDGE HOME

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

2. Women who can be considered to be or have been dependent on a man or woman who has served in the Armed Forces of the Crown including spouse, civil partner, widow, former spouse, former civil partner, parent, child, step child, adopted child, and qualifying co-habitant.

3. Men who have served in the Armed Forces of the Crown and men who can be considered to be or have been dependant on a man or woman who has served in the Armed Forces of the Crown, including spouse, civil partner, widow, former spouse, former civil partner, parent, child, step child, adopted child, and qualifying co-habitant with the proviso that beneficiaries satisfying the criteria in (1) & (2) above will take precedence in the event of there being more than one applicant for an available place in the Home.

This is undertaken from the Charity's premises in Hurst Road, East Molesey, Surrey.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Reference and administrative details

These can be found on pages 1 of this annual report.

The charity's investment advisors are:

Investec Wealth & Investment Limited
30 Gresham Street
London
EC2V 7QN

Members of the General Purposes Committee:

Mr R Dowler MBE (Chairman)
Major J T Tatham
Mr John Ross FCSI
Mr George Fitzgeorge Balfour BSc
Col. Nigel Gilbert
Mr Alan Bott FCCA
Mr Jeremy Williams MA

Friends of the Royal Cambridge Home:

Miss D Fitzgeorge Balfour

Manager: Mr Rory Belfield MA BSc(Hons)

Secretary: Mrs Sue Kenway

List of benefactors - Year Ended 31 March 2022

H M The Queen
Rowan Bentall Charitable Trust
ABF – The Soldiers' Charity

Other Donations

We acknowledge with thanks donations received from families and friends of residents and former residents of the Home including:-

Donations in memory of the late Mr Fred Clark
Mr Peter Cusden in memory of his late wife Mrs Joyce Cusden
Ms Kim Beat

THE ROYAL CAMBRIDGE HOME

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements, Performance and Financial Review

The full financial activities for the year are shown on pages 12 to 32. The net outgoing resources for the year are £20,726, compared with to net incoming resources of £95,194 for 2021. After taking account of £2,665 (2021 - £3,120) gain in our investment portfolio, an overall deficit of £18,061 was achieved for the year compared with surplus of £98,314 for 2021.

Expenditure increased by £122,026 with staff costs accounting for 64% of the total expenditure. Costs of maintaining and improving the buildings have been closely controlled with the Home's staff attending to routine repair and decorations wherever possible.

As a result, total funds at 31st March 2022 were £585,207 (2021 : £603,268) of which £481,221 are restricted funds available.

These results continue to reflect the decision of the Trustees taken in 2018 and as reported in last year's Annual Report to reduce the number of residents in the Home by vacating No 84 Hurst Road in anticipation of the commencement of the programme of redevelopment of the Home, further details of which are given below. The number of residents thereafter was reduced to eighteen and subsequently has been marginally increased to twenty one.

The loan of £190,000.00 obtained from the bank under the Coronavirus Business Interruption Loan Scheme was repaid in full prior to the anniversary thereby avoiding any interest charges.

While the Home's revised website continues to present a positive and attractive picture of the daily life of the Home the level of enquiries received via the website throughout the year has been minimal. However the Home has been able to offer care to a number of residents referred by the local Social Services under the "Discharge to Assess" scheme by providing services to patients on discharge from hospitals for periods of respite care funded by the social services department and, in some cases, for permanent residency.

Redevelopment

As mentioned in last year's report an appeal against the refusal of consent by the Planning Committee of the Borough of Elmbridge was lodged and subsequently proceeded by means of written representations. The decision to proceed was made with the agreement of the trustees of the Sheppard Trust and on the basis that the Home should share half the cost of the appeal subject to a maximum total cost. The appeal Inspector visited the site in August and published his decision on 18th October 2021. The Inspector's decision confirmed all aspects of the submitted planning application subject to the addition of conditions relating to the phasing of the entire project.

The incidence of the Covid pandemic has impacted on the scheme of redevelopment in several ways including highlighting a need for minor modifications to the original layout plans for the Home, by way of example to allow for the provision of hand-washing facilities at the entrance lobby of the proposed new building. However of greater significance has been the impact on construction costs in the intervening period and the threat that this poses on the financial viability of the scheme. At the time of preparation of this report arrangements are being made for the amended specification to be completed in preparation for invitations to tender being sent to construction companies. Further discussions with Sheppard Trust will take place once the outcome of the tendering process is known. The trustees remain as determined as ever to see a successful outcome to this project if at all possible.

THE ROYAL CAMBRIDGE HOME

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Covid-19

As previously reported the impact of the Covid 19 pandemic on the day to day running of the Royal Cambridge Home has been immense. During the year to March 2022 Covid 19 has presented further challenges to the manager and his staff as they coped with fluctuations in the restrictions of lock-down, visiting and care of the residents. Outbreaks among staff and residents throughout the year have been, mercifully, very limited.

Rory Belfield, the senior management team and the entire staff are to be warmly congratulated and thanked for their conscientiousness throughout and, whilst it is now hoped that the worst effects of the disease are now over, a constant vigilance is called for to ensure that our residents remain well cared for, comfortable and safe in the Home.

The trustees are also grateful for the assistance to the finances of the Home from grants made by Surrey County Council to help meet the additional costs of infection control, testing and staff retention.

Investment Policy

There are no restrictions on the charity's power to invest. The investment policy is to provide a sufficient opportunity for capital and income growth to meet the increasing obligations of maintaining and running the Home whilst maintaining a low risk profile. The trustees regularly review the investments to ensure that the portfolio provides a spread of risk and balance between equity and fixed interest investments. The trustees consider the return on investments to be satisfactory but remain very conscious of the uncertainties in the market both nationally and globally particularly at the present time.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the Home, at a level which equates to approximately three months unrestricted expenditure. At this level the General Purposes Committee feels that it would be able to continue to provide a high standard of residential care in the event of a significant decrease in the level of funding. At the year end the charity had unrestricted funds available of £481,222.

Risk Review

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to mitigate those risks.

THE ROYAL CAMBRIDGE HOME

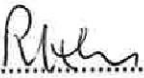
**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**


Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Mr R H Dowler MBE


.....
Mr A D Bott FCCA

Date: 16-09-2022

THE ROYAL CAMBRIDGE HOME

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2022

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 & 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

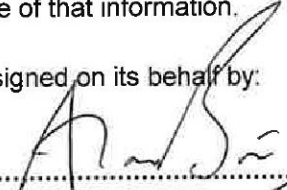
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware. They have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on its behalf by:


.....
Mr R H Dowler MBE


.....
Mr A D Bott FCCA

Date: 16-09-2022

THE ROYAL CAMBRIDGE HOME

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL CAMBRIDGE HOME

Opinion

We have audited the financial statements of The Royal Cambridge Home (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council'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 or the parent 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.

THE ROYAL CAMBRIDGE HOME

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL CAMBRIDGE HOME (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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, except to the extent otherwise explicitly stated in our report, 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; 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

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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.

THE ROYAL CAMBRIDGE HOME

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL CAMBRIDGE HOME (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Enquiry of management and those charged with governance as to actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
- Assessing the reasonableness of revenue recognised in the period based on contractual terms and obligations and the requirement of accounting standards; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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. This description forms part of our Auditors' Report.

THE ROYAL CAMBRIDGE HOME

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL CAMBRIDGE HOME
(CONTINUED)**

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 Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Nelligan FCA
Wellden Turnbull Limited
Albany House
Claremont Lane
Esher
Surrey
KT10 9FQ

Date: 19.09.22

Wellden Turnbull Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ROYAL CAMBRIDGE HOME

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Capital funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	3	-	745	2,103	2,848	1,785
Charitable activities	4	-	-	1,202,578	1,202,578	1,198,684
Investments	5	-	-	1,499	1,499	1,390
Other income	6	-	-	2,090	2,090	1,050
Total income and endowments		<u>-</u>	<u>745</u>	<u>1,208,270</u>	<u>1,209,015</u>	<u>1,202,909</u>
Expenditure on:						
Raising funds	7	375	-	-	375	297
Charitable activities		-	6,191	1,223,175	1,229,366	1,107,418
Total expenditure		<u>375</u>	<u>6,191</u>	<u>1,223,175</u>	<u>1,229,741</u>	<u>1,107,715</u>
Net (expenditure)/ income before net gains on investments		(375)	(5,446)	(14,905)	(20,726)	95,194
Net gains on investments		2,665	-	-	2,665	3,120
Net movement in funds		<u>2,290</u>	<u>(5,446)</u>	<u>(14,905)</u>	<u>(18,061)</u>	<u>98,314</u>
Reconciliation of funds:						
Total funds brought forward		49,798	57,344	496,126	603,268	504,954
Net movement in funds		2,290	(5,446)	(14,905)	(18,061)	98,314
Total funds carried forward		<u>52,088</u>	<u>51,898</u>	<u>481,221</u>	<u>585,207</u>	<u>603,268</u>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 32 form part of these financial statements.

THE ROYAL CAMBRIDGE HOME

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	374,164	371,767
Investments	12	52,088	49,800
		<u>426,252</u>	<u>421,567</u>
Current assets			
Stocks	13	2,881	2,806
Debtors	14	51,896	139,291
Cash at bank and in hand		194,331	403,417
		<u>249,108</u>	<u>545,514</u>
Creditors: amounts falling due within one year	15	(90,153)	(205,480)
Net current assets		<u>158,955</u>	<u>340,034</u>
Total assets less current liabilities		<u>585,207</u>	<u>761,601</u>
Creditors: amounts falling due after more than one year	16	-	(158,333)
Total net assets		<u><u>585,207</u></u>	<u><u>603,268</u></u>
Charity funds			
Endowment funds	18	52,088	49,798
Restricted funds	18	51,898	57,344
Unrestricted funds	18	481,221	496,126
Total funds		<u><u>585,207</u></u>	<u><u>603,268</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Mr R H Dowler MBE


Mr A D Bott FCCA

Date: 16.09.2022

The notes on pages 16 to 32 form part of these financial statements.

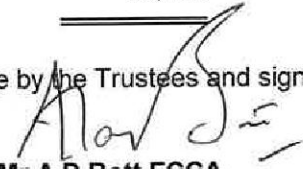
THE ROYAL CAMBRIDGE HOME

CHARITY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	93,826	95,389
Investments		2	2
		<u>93,828</u>	<u>95,391</u>
Current assets			
Cash at bank and in hand		-	190,013
		<u>-</u>	<u>190,013</u>
Amounts owed to group companies	15	(37,670)	(227,671)
		<u>(37,670)</u>	<u>(37,658)</u>
Net current liabilities			
		<u>56,158</u>	<u>57,733</u>
Total assets less current liabilities			
		<u>56,158</u>	<u>57,733</u>
Total net assets			
		<u>56,158</u>	<u>57,733</u>
Charity funds			
Restricted funds	18	56,158	45,333
Unrestricted funds	18	-	12,400
		<u>56,158</u>	<u>57,733</u>
Total funds			
		<u>56,158</u>	<u>57,733</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Mr R H Dowler MBE


Mr A D Bott FCCA

Date: 16-09-2022

The notes on pages 16 to 32 form part of these financial statements.

THE ROYAL CAMBRIDGE HOME

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	18,517	190,156
Cash flows from investing activities		
Dividends, interests and rents from investments	1,497	1,386
Purchase of tangible fixed assets	(39,100)	(36,719)
Net cash used in investing activities	(37,603)	(35,333)
Cash flows from financing activities	(190,000)	190,000
Net cash (used in)/provided by financing activities	(190,000)	190,000
Change in cash and cash equivalents in the year	(209,086)	344,823
Cash and cash equivalents at the beginning of the year	403,417	58,594
Cash and cash equivalents at the end of the year	194,331	403,417

The notes on pages 16 to 32 form part of these financial statements

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

1.2 Presentation currency

The accounts are presented in £ sterling, and rounded to the nearest £.

1.3 Income

- Grants and donations, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities when received.
- Residents' contributions are recognised over the period of occupation.
- Accommodation income is recognised over the period of staff occupation.
- Investment income is derived from investments listed on the UK stock exchange and is accounted for when receivable.
- Gifts of fixed assets are included at a fair value estimated by the trustees at the date of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Resources expended

Resources expended are recognised in the period in which they are incurred and include attributable VAT which cannot be recovered. Costs of activities comprise direct costs and support costs incurred in providing residential care. Fundraising costs comprise publicity and costs associated with fundraising. Governance expenses comprise costs incurred in the administration of the Home. Where costs cannot be directly attributed to these categories, overhead costs are apportioned on the following basis, based on space occupied.

Provision of care (charitable activities)	95%
Management and administration (governance costs)	5%

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

1.6 Depreciation of tangible fixed assets

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land & Building	-	2%
Equipment	-	25%
Fixtures and fittings	-	10%
Computer equipment	-	33%

Other fixed assets consist of the costs incurred in relation to obtaining planning permission for the development of the new home. They are not depreciated until the asset is in use.

Assets are normally capitalised where the purchase price exceeds £500. Assets brought in the final month of financial year end are not depreciated until the next year end accounts.

1.7 Investments

Investments held as fixed assets are valued at the mid-market value at the balance sheet date and the gain or loss on disposal taken to the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Stocks

Stock consists of food and cleaning materials and is valued at the lower of cost and net realisable value.

1.9 Unrestricted Funds

Unrestricted funds comprise donations and other voluntary income receivable or generated for the objects of the charity and are available as general funds.

1.10 Designated Funds

These are unrestricted funds earmarked by the trustees for a particular purpose.

1.11 Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor.

Expenditure which meets these criteria is applied to the fund together with a fair allocation of management and support costs where applicable.

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

1.12 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the useful life of fixed assets, which are written off in accordance with the depreciation policies set out in note 1.6.

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	745	2,103	2,848	1,785

THE ROYAL CAMBRIDGE HOME

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Residential care fees	1,140,815	1,140,815	1,112,312
Government grants relating to Covid-19 support	61,763	61,763	86,372
Total 2022	<u>1,202,578</u>	<u>1,202,578</u>	<u>1,198,684</u>
Total 2021	<u>1,198,684</u>	<u>1,198,684</u>	

Government grant income comprises £Nil (2021 : £12,779) received under the job retention scheme, and £42,761 (2021 - £73,593) relating to council infection control and rapid test funding grants. £19,000 was received for a new wet room.

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Dividend income	1,497	1,497	1,375
Bank interest receivable	2	2	15
	<u>1,499</u>	<u>1,499</u>	<u>1,390</u>
Total 2021	<u>1,390</u>	<u>1,390</u>	

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Staff accommodation income	<u>2,090</u>	<u>2,090</u>	<u>1,050</u>

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Investment management costs

	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Portfolio management costs	375	375	297

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Care home activities	1,004,478	224,888	1,229,366	1,107,418
Total 2021	901,138	206,280	1,107,418	

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	606,096	606,096	549,671
Depreciation	36,704	36,704	30,301
Agency staff	8,261	8,261	58,509
Messing	68,428	68,428	57,817
Water rates	6,036	6,036	11,346
Repairs & garden maintenance	119,194	119,194	60,949
Light & heat	56,995	56,995	35,644
Insurance	21,045	21,045	15,490
Cleaning & waste removal	31,391	31,391	28,624
CQC registration fees	4,988	4,988	5,511
Advertising	2,595	2,595	1,346
Hire of equipment	9,328	9,328	12,511
Staff recruitment	5,211	5,211	2,258
Staff training	5,378	5,378	9,588
Care of residents	19,158	19,158	17,942
Residents' entertaining	3,670	3,670	2,651
Loss/(profit) on disposal of fixed assets	-	-	980
Total 2022	1,004,478	1,004,478	901,138
Total 2021	901,138	901,138	

THE ROYAL CAMBRIDGE HOME

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	175,058	175,058	160,581
Motor & travel	1,089	1,089	254
Staff entertainment	3,110	3,110	-
Printing, postage & stationery	4,172	4,172	3,937
Telephone	2,226	2,226	1,518
General expenses	7,928	7,928	8,324
Bank charges	1,058	1,058	1,058
Legal & professional fees	9,708	9,708	9,539
Computer and website expenses	9,253	9,253	9,369
Governance costs	11,286	11,286	11,700
	<u>224,888</u>	<u>224,888</u>	<u>206,280</u>
Total 2021	<u>206,280</u>	<u>206,280</u>	

9. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	<u>6,036</u>	<u>6,448</u>
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	<u>5,250</u>	<u>5,232</u>

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. Staff costs

	Group 2022 £	Group 2021 £
Wages and salaries	714,919	645,631
Social security costs	52,119	51,644
Contribution to defined contribution pension schemes	14,116	12,978
	<u>781,154</u>	<u>710,253</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	Group 2021 No.
Residential care	34	32
Management and administration	5	5
	<u>39</u>	<u>37</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel remuneration totalled £53,400 (2021 - £51,100).

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Tangible fixed assets

Group	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Motor vehicles £	Total £
Cost or valuation							
At 1 April 2021	128,227	18,005	274,720	34,155	136,116	31,772	622,995
Additions	-	-	34,943	2,226	1,932	-	39,101
At 31 March 2022	128,227	18,005	309,663	36,381	138,048	31,772	662,096
Depreciation							
At 1 April 2021	32,838	18,005	162,125	6,488	-	31,772	251,228
Charge for the year	1,563	-	24,680	10,461	-	-	36,704
At 31 March 2022	34,401	18,005	186,805	16,949	-	31,772	287,932
Net book value							
At 31 March 2022	93,826	-	122,858	19,432	138,048	-	374,164
At 31 March 2021	95,389	-	112,596	27,666	136,116	-	371,767

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Tangible fixed assets (continued)

Charity

	Freehold property £
Cost or valuation	
At 1 April 2021	128,227
At 31 March 2022	<u>128,227</u>
Depreciation	
At 1 April 2021	32,838
Charge for the year	1,563
At 31 March 2022	<u>34,401</u>
Net book value	
At 31 March 2022	<u>93,826</u>
At 31 March 2021	<u>95,389</u>

Other fixed assets consist of costs to date with regards to the professional fees incurred to obtain planning for the redevelopment of the site.

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Investments

	2022 £	2021 £
Market value brought forward	49,800	46,976
Acquisitions at cost	29,112	-
Sales proceeds from disposals	(15,192)	5,000
Broker's management fees	(375)	(295)
Increase/(decrease) in cash deposits	(5,000)	-
Increase/(decrease) in cash deposits	(6,257)	(1,881)
	<u>52,088</u>	<u>49,800</u>

Market value of investments by class:

	2022 £	2021 £
UK Fixed Interest Bonds	9,896	18,262
UK Equities	11,099	9,560
Non UK Equities	18,819	6,210
Alternative Assets	5,243	3,358
Cash deposits	7,031	12,410
	<u>52,088</u>	<u>49,800</u>

13. Stocks

	Group 2022 £	Group 2021 £
Stock of food and cleaning materials	<u>2,881</u>	<u>2,806</u>

14. Debtors

	Group 2022 £	Group 2021 £
Due within one year		
Trade debtors	8,781	105,489
Other debtors	59	-
Prepayments and accrued income	43,056	33,802
	<u>51,896</u>	<u>139,291</u>

THE ROYAL CAMBRIDGE HOME

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	-	31,667	-	-
Payments received on account	28,395	2,595	-	-
Trade creditors	23,037	42,777	-	-
Amounts owed to group undertakings	-	-	37,670	227,671
Other taxation and social security	14,344	15,207	-	-
Pension fund loan payable	2,777	2,910	-	-
Other creditors	2,155	1,107	-	-
Accruals and deferred income	19,445	109,217	-	-
	<u>90,153</u>	<u>205,480</u>	<u>37,670</u>	<u>227,671</u>

16. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £
Bank loans	-	158,333
	<u>-</u>	<u>158,333</u>

The bank loan was repaid in full during the current year. The bank loan was a Coronavirus Business Interruption Loan Scheme loan (CBILs), repayable over 72 months at an interest rate of 2.81% over the base rate.

17. Financial instruments

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Financial assets				
Financial assets measured at fair value through income and expenditure	<u>246,419</u>	<u>453,217</u>	<u>2</u>	<u>190,015</u>

Financial assets measured at fair value through income and expenditure comprise investments and cash and cash equivalents.

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

18. Statement of funds

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds	496,126	1,208,270	(1,223,175)	-	481,221
Endowment funds					
Endowment Funds - all funds	49,798	-	(375)	2,665	52,088
Restricted funds					
Queen Mary's Fund	4,070	745	-	-	4,815
Special Projects Fund	53,274	-	(6,191)	-	47,083
	57,344	745	(6,191)	-	51,898
Total of funds	603,268	1,209,015	(1,229,741)	2,665	585,207

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	496,126	1,208,270	(1,223,175)	-	481,221
Endowment funds	49,798	-	(375)	2,665	52,088
Restricted funds	57,344	745	(6,191)	-	51,898
	<u>603,268</u>	<u>1,209,015</u>	<u>(1,229,741)</u>	<u>2,665</u>	<u>585,207</u>

20. Purposes of restricted funds

Queen Mary's Fund

Its purpose is to fund entertainment, outings and luxury items for the residents.

Special Projects Fund

The fund is primarily for the replacement of large items of equipment. The remaining balance on the fund provides for future depreciation of capital items which were originally purchased using restricted funds together with donation received for projects which have not yet begun.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	51,898	322,266	374,164
Trade investments	52,088	-	-	52,088
Current assets	-	-	249,108	249,108
Creditors due within one year	-	-	(90,153)	(90,153)
Total	<u>52,088</u>	<u>51,898</u>	<u>481,221</u>	<u>585,207</u>

THE ROYAL CAMBRIDGE HOME

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	371,767	-	-	371,767
Trade investments	49,800	-	-	49,800
Current assets	545,514	-	-	545,514
Creditors due within one year	(205,480)	-	-	(205,480)
Creditors due in more than one year	(158,333)	-	-	(158,333)
Total	603,268	-	-	603,268

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

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(18,061)	98,314
Adjustments for:		
Depreciation charges	36,704	30,301
(Gains)/Losses on investments	(2,665)	(3,120)
Dividends, interests and rents from investments	(1,497)	(1,387)
Loss on the sale of fixed assets	-	980
Increase in stocks	(75)	(36)
Increase in debtors	87,398	1,687
Increase/(decrease) in creditors	(83,661)	63,120
Portfolio manager fees	377	297
Net cash provided by operating activities	18,520	190,156

23. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	194,331	403,417

THE ROYAL CAMBRIDGE HOME

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

24. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	403,417	(209,086)	194,331
Debt due within 1 year	(34,576)	31,799	(2,777)
Debt due after 1 year	(158,333)	158,333	-
	<u>210,508</u>	<u>(18,954)</u>	<u>191,554</u>

25. Trustees' remuneration and expenses

The trustees did not receive any remuneration, there was no reimbursement for expenses during the year.

26. Tax status

The Royal Cambridge Home is a registered charity and has been granted exemption from income tax under S466 to 493 CTA 2010 and exemption from capital gains tax under S.256 TCGA 1992.

27. Related parties

During the year, the Charity's subsidiary paid off the outstanding CBIL loan of £190,000. The proceeds from the loan were held in the bank account of The Royal Cambridge Home, therefore the overall balance due from The Royal Cambridge Home reduced by £190,000 to £37,670.

28. Ultimate controlling party

The trustees are the ultimate controlling party.

29. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £14,116 (2021 - £12,978). £2,777 (2021 - £2,910) of contributions were payable to the fund at the balance sheet date and are included in creditors.

30. Operating lease commitments

At 31 March 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £
Not later than 1 year	<u>2,215</u>	<u>2,696</u>

THE ROYAL CAMBRIDGE HOME

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

31. Principal subsidiaries, associates and joint ventures

The Royal Cambridge home is a 100% parent company of Royal Cambridge Home Limited.