

THE HEADLEY COURT CHARITY

**The Trustees' Annual Report and Accounts
For the Year Ended 31 December 2022**

THE HEADLEY COURT CHARITY

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

CHAIRMAN'S INTRODUCTION

Having formally resolved to close the Charity and following advice from the Charity Commission, Trustees have agreed to support, through the award of financial grants, a number of armed forces charities whose purposes are comparable with the objects of the Charity, principally rehabilitation, research and wellbeing. The grants awarded in 2022 are listed below. Trustees will continue to disperse the assets of the Charity and to conclude arrangements for the winding up of the Charity, or its merger with a charity with similar objects, in 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Headley Court Charity was established under a Charity Commission Scheme dated 1 April 1968 and subsequently amended by a Charity Commission Schemes dated 17 October 2000, 11 July 2017 and 29 July 2020 and a resolution passed by the Trustees on 31 July 2019. The Charity is governed and managed by a Board of Trustees, who are supported by their Clerk.

OBJECTS

The objects of the Charity are:

- (1) The rehabilitation of serving, reserve and auxiliary members and veterans of the Armed Forces of the United Kingdom (the beneficiaries).
- (2) Research into the medical rehabilitation of serving, reserve, and auxiliary members and veterans of the Armed Forces of the United Kingdom.
- (3) The relief of hardship of the beneficiaries and their families.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The Trustees gave careful consideration to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. In particular, the Trustees considered how any grants they make would contribute to the Charity's aims and objectives.

The Trustees' objective for 2022 was to continue the process of closing the charity by making grants to charities with comparable purposes. They achieved this by awarding the following grants:

Turn to Starboard	£20,000.00
The Royal Hospital Chelsea	£18,115.00

PLANS FOR FUTURE PERIODS

The Trustees' objectives for 2023 are:

- To wind up the charity; or
- To merge the charity with a charity of comparable purpose; or
- To continue the charity, possibly appointing another charity to act as a corporate trustee

FINANCIAL REVIEW

The Statement of Financial Activities is set out on page 7 and shows a net surplus of £ 26,535 (2021: net deficit of £9,093,790). Income for the year amounted to £84,283 (2021: £140,063). Expenditure on charitable activities amounted to £57,748 (2021: £9,272,173).

THE HEADLEY COURT CHARITY

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

RESERVES

The Trustees' reserves policy is to hold in reserve sufficient funds to cover the costs of winding up the Charity.

STAFFING

The Trustees wish to thank the Clerk for her work in 2022.

THE HEADLEY COURT CHARITY

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

REFERENCE AND ADMINISTRATIVE INFORMATION

Name: The Headley Court Charity – also known as the Headley Court Trust.

Registered Charity Number: 256382

Principal Address: C/o 16 Westpoint, 49 Putney Hill, London SW15 6RU

Trustees

Air Vice-Marshal A. J. Stables CBE FRAeS (Chairman)

Mr M. S. Debens

Air Commodore P. J. Hughesdon MA

Air Vice-Marshal C. S. Walton CB QHP

Clerk: Ms K. Kirkland BA (Hons) FRSA

Solicitors: Charles Russell Speechlys LLP
5 Fleet Place
London, EC4M 7RD

Bankers: CAF (Charities Aid Foundation)
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA

Investment Managers: CCLA
Senator House
85 Queen Victoria Street
London EC4V 4ET

Independent examiners: Moore Kingston Smith LLP
6th Floor
9 Appold Street
London EC2A 2AP

THE HEADLEY COURT CHARITY

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

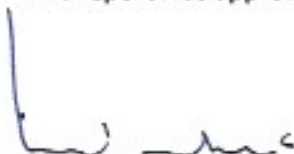
The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards 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 Charity will continue in business.

The Trustees are responsible for keeping proper 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. 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.

This report was approved by the Trustees on 26 July 2023.



Air Vice-Marshal Anthony Stables CBE FRAeS (Chairman)

THE HEADLEY COURT CHARITY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HEADLEY COURT CHARITY

I report to the trustees on my examination of the accounts of The Headley Court Charity (the Charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

Other than the other matter explained below I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Other matter – going concern

As further explained in the trustees report and note 1a in the financial statements, the Trustees have decided to wind up the charity and are expecting to apply for it to be removed from the Charity Commission register before the end of 2023. The financial statements have been prepared on a basis other than that of a going concern.

Date: 4 August 2023
6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP

Neil Finlayson

Independent Examiner
For and on behalf of Moore Kingston Smith LLP

THE HEADLEY COURT CHARITY

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

Statement of Financial Activities for year ended 31 December 2022

	Notes	2022 £	2021 £
Income and endowments from:			
Donations		339	198
Legacies		58,824	139,027
Bank interest		25,120	838
Total income		<u>84,283</u>	<u>140,063</u>
Expenditure on charitable activities	2	57,748	9,272,173
Net gains/(loss) on investments	3	-	38,320
Movement in funds		<u>26,535</u>	<u>(9,093,790)</u>
Total funds brought forward at 1 January 2022		1,724,317	10,818,107
Total funds carried forward at 31 December 2022 5		<u>1,750,852</u>	<u>1,724,317</u>

THE HEADLEY COURT CHARITY

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

Balance Sheet as at 31 December 2022

	Notes	2022 £	2021 £
CURRENT ASSETS			
Cash at Bank		1,753,852	4,729,357
CURRENT LIABILITIES			
Grant Creditors	4	-	(3,000,000)
Accruals	4	(3,000)	(5,040)
NET CURRENT ASSETS/(LIABILITIES)		1,750,852	1,724,317
TOTAL NET ASSETS		1,750,852	1,724,317
Represented by:			
GENERAL FUND:	5	1,750,852	1,724,317
		1,750,852	1,724,317

Approved by the Trustees on 26 July 2023 and signed on their behalf by:



Air Vice-Marshal A J Stables CBE FRAcS (Chairman)

The notes on pages 9 and 10 form an integral part of these accounts.

THE HEADLEY COURT CHARITY

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

1. ACCOUNTING POLICIES

- a) **Basis of Accounting:** The financial statements have been prepared under the historical cost convention as modified to include the revaluation of investments. The statement of accounts has been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011. The Charity constitutes a public benefit entity as defined by FRS102.

Going Concern: The Trustees have decided to wind up the Charity following the sale of the Headley Court estate in May 2019 and distribute all surplus funds to other charities with comparable purposes and therefore consider it inappropriate to prepare the financial statements on a going concern basis.

- b) **Income:** Income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably. Donations are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Bank interest is accounted for on an accruals basis.
- c) **Resources Expended:** Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:
- **Costs of charitable activity:** These relate to charitable expenditure and the support costs of the Charity. Charitable expenditure is recognised when it is incurred. Support costs are made up of professional fees, administrative and governance costs. Governance costs are incurred to ensure good public accountability and compliance with regulation and good practice.
- d) **Financial instruments:** The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- e) **Cash and cash equivalents:** Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.
- f) **Critical accounting estimates and areas of judgements:** In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

THE HEADLEY COURT CHARITY

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 2022

2. EXPENDITURE ON CHARITABLE ACTIVITIES	2022	2021
	£	£
Charitable expenditure	38,115	9,255,958
Professional fees	14,265	9,772
Administrative expenses	5,368	6,443
Total expenditure	<u>57,748</u>	<u>9,272,173</u>

3. GAINS/(LOSSES) ON INVESTMENT ASSETS	2022	2021
	£	£
General Fund	-	38,320

4. CREDITORS	2022	2021
	£	£
Grant creditors	-	3,000,000
Professional fees	3,000	5,040
Total	<u>3,000</u>	<u>3,005,040</u>

5. MOVEMENT OF RESERVES	2022	2021
	£	£
General Fund		
Balance brought forward	1,724,317	10,818,107
Incoming Resources for the year	84,283	140,063
Outgoing Resources for the year	(57,748)	(9,272,173)
Net gain/(loss) on investments	-	38,320
Balance carried forward	<u>1,750,852</u>	<u>1,724,317</u>

6. TRUSTEES' EXPENSES

Included in administrative expenses are payments reimbursed to 2 (2021: 2) Trustees during the year which amounted to £1,227 (2021: £910).