

**Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 March 2021
for
St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

Munday Long & Co Limited
Chartered Certified Accountants
Statutory Auditors
Alton House
66/68 High Street
Northwood
Middlesex
HA6 1BL

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

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for the Year Ended 31 March 2021**

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**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Reference and Administrative Details
for the Year Ended 31 March 2021**

TRUSTEES	Father Timothy Hutton Mr David Hayward (resigned 27.7.2020) Mr David Searle Mr Chris Goss Mrs Sue Pillar-Lea Prof Jean McEwan Mrs Gemma Page (appointed 28.1.2021) Mrs Kate Robinson (appointed 30.11.2020)
PRINCIPAL ADDRESS	12 Castlebar Hill Ealing London W5 1TE
REGISTERED CHARITY NUMBER	220151
AUDITORS	Munday Long & Co Limited Chartered Certified Accountants Statutory Auditors Alton House 66/68 High Street Northwood Middlesex HA6 1BL
BANKERS	Barclays
INSURANCE	Dual Corporate Risks Limited (DUAL)
SOLICITORS	Pothecary Witham Weld
HR CONSULTANTS	Atlas Citation Limited

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Report of the Trustees
for the Year Ended 31 March 2021**

The Trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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).

Introduction

The charity was established in 1918. The principal activity of the charity is to operate St David's Home based in Ealing. The Trustees of St. David's Nursing Home for Disabled Soldiers, Sailors and Airmen constitute the body that sets the strategic direction of the Home. The charity gives priority to those members, or former members or dependants, of Her Majesty's Armed Forces who are disabled or otherwise incapacitated, although consideration is also given to other potential recipients of care.

OBJECTIVES, AIMS AND ACTIVITIES

Objects

The objects of the charity are to relieve the physical and mental disability for those individuals who are:-

- Members and former members of Her Majesty's Armed Forces or Her Majesty's Allied Forces who during the course of their service have become disabled in some way.
- Other people who at any time have served in such forces.
- Other necessitous people.

Priority shall be given at all times to ex-service personnel.

St David's aims are to:

- Provide excellent personal and nursing care to all our residents, in a homely environment, whilst also having the right to privacy and independence.
- Provide care, delivered by skilled staff, underpinned by core values of privacy, dignity, choice, rights, proper assessment of risk, respect, equality, fulfilment, independence and security, to a standard which embraces the fundamental principles of good practice and meets the requirements of the Care Act 2014; and
- Recognise each resident as an individual and enable each resident to achieve the highest possible quality of life throughout their time with us. With consent from the resident, family and friends are welcome and are involved in care planning and delivery.

Activities and ethos

The Charity provides at its care Home in Ealing, accommodation, nursing care and therapy services for eligible persons. St. David's is registered with the Care Quality Commission (CQC) as a Nursing Home with 76 beds.

There are four units consisting of the Main Unit with 43 beds; the Lord Mark Unit with 18 beds, the Century Unit with 8 beds and the Rehab Unit consisting of seven beds. All rooms are en-suite apart from 20 rooms in the Main Unit.

There is also the ability to offer a day care service for a small number of additional service users. However, this service was closed in this reporting period due to Covid-19 infection control restrictions.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Report of the Trustees
for the Year Ended 31 March 2021**

OBJECTIVES, AIMS AND ACTIVITIES- continued
Activities and ethos

Applications for money are made to benevolent associations and grant-making trusts, when deemed appropriate, and funds from voluntary sources are raised by appeals and fund-raising events to supplement fee income.

St David's Home recognises that our residents are vulnerable and many are physically and/or mentally frail. They may be unable to give informed consent, make appropriate choices or judgements, or recognise risks to themselves. St David's Home adopts best practices to protect these vulnerable individuals, including:

- Disclosure and Barring Service (DBS) for all staff, trustees and volunteers.
- Safeguarding of Vulnerable Adults (SOVA) training.
- Complaints Policy, Whistleblowing and Safeguarding Policy, Duty of Candour Policy.
- Meetings, open dialogue and engagement with staff, residents, families and trustees to ensure a culture of openness.

Public benefit

In setting the aims, objectives and planning activities, the Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on health care and fee charging.

Although the principal object of the charity, as stated in its objectives, is to relieve the physical and mental disability of Service or former Service personnel, this was broadened in 2007 to allow those with no service connection to take advantage of the care offered at St. David's Home, however, priority is still given to those with a Service connection.

The use of the service by people with a connection to the military reduces year on year and as at 31 March 2021, 7% of residents have a service background and 6% have a connection to the services (married to service people or within the diplomatic service). The present residents of the Home come from a wide geographic area across London and the Home Counties.

As of 31 March 2021, 31% of room income comes from Local Authorities, 46% comes from Clinical Commissioning Group (CCG) funding and 23% from privately funding. In-keeping with the Home's charitable status, the steps the Home takes to avoid the non-elective admission of residents to hospital, benefits not only the resident but the wider public health sector.

The charity fulfils its charitable purposes for the public benefit in the following ways:

- Providing a high standard of care to all our residents, regardless of age or background.
- Caring for our residents in a holistic, caring and kind manner and striving to ensure our fees are manageable.
- Caring for our residents reliant on public funding at fee rates directed by public funding. The Trustees continue to be concerned about the level of this public subsidy, but St David's status as a charity helps ensure that all residents enjoy the high standards of care that we are able to provide.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Report of the Trustees
for the Year Ended 31 March 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Home's units continued to operate successfully and at high occupancy levels until early 2020 when the service, as with all similar provision across the sector, began to experience the impact of the Covid-19 pandemic and the number of referrals reduced. This has had a considerable impact on the 2020/21 Financial Statements.

The Home runs a proactive activities programme, ensuring that all residents, regardless of medical condition experience different activities and events for their enjoyment and stimulation. The Physiotherapy and Speech Therapy units are active and focused on resident's care and recovery.

The Chapel is a focal point for many residents, staff and visitors, both in the Home and in the local area. Covid-19 restrictions limited our services, due to a UK-wide suspension from March 2020 onwards, and this was widely missed by all.

As rooms become available, we run an active programme of redecoration and refurbishment of residents' rooms and public areas to ensure a fresh, welcoming environment for our residents, staff and visitors.

The Home's Sensory Room continues to prove invaluable in providing stimulation, interaction and relaxation for all residents, particularly those with brain injury and cognitive impairment.

Impact of a global pandemic

Across the care sector the impact of Covid-19 has been extremely significant. There has been considerable impact on the financial income and reserves, resident and staff morale and welfare, and operational capability.

The Home and the staff worked tirelessly to follow government guidelines and protect very vulnerable patients from this virus. Our residents are extremely vulnerable. There were very challenging management considerations and difficult decisions to be made during this reporting period, including closing the Home to visitors, increasing infection control measures, the purchase and use of Personal Protective Equipment as routine and specific equipment for individual medical needs.

A strict testing regime was in place during the reporting period, and this was costly in terms of staff hours, additional staff requirements and equipment.

The day care service, attracting non-residents, continued to operate until early 2020 when due to Covid-19, the restrictions on visitors meant that the service was temporarily withdrawn.

FINANCIAL REVIEW

Investment policy and objectives

During the year the Trustees reviewed their investment policy and confirmed the policy to limit investments to higher yield deposits which during these uncertain and volatile financial times they believe it remains right for the charity.

Reserves policy

The reserves policy is to have free reserves of between six and twelve months unrestricted expenditure. The current free reserves are £1,495,920 which equates to four months of unrestricted expenditure which is the policy in effect of the reporting period as of 31 March 2021. In light of the difficulties due to the Pandemic, the Trustees will review the Reserve Policy.

The occupancy level for the full year was 75.65% a decrease from 2019-20, reflecting work undertaken to refurbish rooms to enable increased occupancy.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Report of the Trustees
for the Year Ended 31 March 2021**

FINANCIAL REVIEW

Results for the year

The charity's principal funding source is residents' fees which has had a very considerable impact on income levels in this reporting period. Donations and legacies do form a valued and important element of our income and we are deeply grateful for these.

The results for the year were disappointing as resources expended exceeded income.

	£
Incoming resources	3,814,691
Resources expended	4,675,386
Net decrease in funds	860,695
Reserves carried forward	6,371,866

The impact of Covid-19 is very clear in the resource's expenditure, but our priority has been the protection and care of residents and staff. Occupancy levels were materially adversely affected by the pandemic, and this impacted on our income levels.

The fees paid by local authorities are significantly below the level required to provide the care for our residents, adding further to the pressure in income.

Donations

The Trustees wish to record their grateful thanks to all donors whose generosity has enabled the work of St David's Home to continue.

Grant applications

Where appropriate, grant applications are made to Service Benevolent Associations and other grant making trusts, together with fund-raising events to supplement fee income. Other organisations and individuals have also donated to the Home. The generosity of all is much appreciated. Monies received are detailed in the financial statement.

FUTURE PLANS

There are considerable challenges in 2020/21 and 2021/22 to deal with issues arising from the pandemic. The need to protect residents, staff and visitors remains paramount and this has an enduring financial impact.

The Home's complement of 76 beds enables the charity to continue to support the ex-Service personnel and the wider community. The Trustees recognise the importance of ensuring all rooms are available for occupancy, but 13 require work. Emphasis will be on prudent planning, and tight oversight to ensure efficient and timely refurbishment of rooms requiring upgrades. This work will generate further income but requires careful planning and implementation during this financially difficult period.

Levels of managerial staffing and oversight will continue to be examined to ensure the Home is correctly resourced and able to deliver high quality services. New senior management has been in place since June 2021 to lead the home and deliver improvements to support our ethos of high-quality care for our residents.

Pressures on the healthcare sector remain high with ongoing demands on resources, services and rooms. St. David's Home continues to provide a broad range of services, catering for those with multiple health issues and palliative care needs. An extensive range of stimulating and therapeutic activities, including occupational therapy and physiotherapy enables residents to progress and, in some instances, facilitates their return to the community.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its trust deed dated 12 August 1918 and governing rules and regulations and deed of revocation dated 27 May 1997 as amended by deed of amendment dated 7 December 2000.

Recruitment and appointment of new Trustees

Trustees are appointed by the board of Trustees with due consideration for the skills and experience required to assist the growth and development of St. David's Home and to serve for three years, renewable at the end of the three years. During the financial period, the Home has advertised and recruited for two new Trustees in order to bring financial experience and healthcare management to the Board.

Organisational structure

The Board of Trustees routinely meets six times a year with the Director and Clinical Lead in attendance, other staff members when appropriate. The business of the meetings is to receive a set of financial statements and a review of operational issues from the Director, to discuss all issues arising therefrom and to make decisions.

From March 2020, the Trustees introduced additional monthly meetings to oversee the impact and management of the Covid-19 pandemic.

Each year there is a review of the strategy for St. David's Home as part of the budgetary process, together with a review of all the key policies.

The day to day running of St. David's Home was devolved to Director who is also the Registered Manager and to whom all the departmental heads report.

Induction and training of new Trustees

A new Trustee is introduced to the work at St. David's Home and is given a copy of the governing documents. The Trustee is briefed on the current aims and objectives and fully advised on the financial position of the charity.

Legal and administrative information

The Trustees of the charity constitute the body that decides upon and makes strategic management decisions for the Home.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT- continued
Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees are conscious of the risks associated with delivering care and the need to ensure that effective leadership and management is in place. The Home has faced significant challenges due to the Covid-19 pandemic.

The Trustees have taken a very active role in examining risks, their mitigating actions and the resourcing requirements needed to deliver care to the residents and meet the Government published requirements, advice and guidance. The impact of substantially reduced income and increased costs (especially in relation to Covid-19 measures) been significant.

Trustees identify potential risks to the charity by carrying out regular detailed reviews of the activities and future strategy of the charity. These risks are kept under regular review. The following specific measures are in place to mitigate against potential risks and the management of risks which materialise as issues:

- The monitoring of financial reserve levels.
- Ensuring internal/external controls continue to enable operations but provide checks and balances to key financial systems and activities.
- Reviewing operational and business risks faced by the charity.
- Management - reporting mechanisms to ensure transparency and rapid identification of risks and issues, further improving internal communications.
- A wide and appropriate variety of professional skills and experience in the Board of Trustees.
- The employment of professionally qualified staff in key areas, such a clinical service and financial management.
- A comprehensive and adequate suite of insurance policies.
- Ensuring updated, relevant current written policies and procedures.

Following the CQC inspection in October 2019, and despite significant Covid-19 restrictions, the Home continues to make improvements and take forward actions to improve services to residents. Much work has been undertaken on induction, training and development training for staff, improved communications throughout the Home and to external stakeholders, mentoring for senior leadership and trustee awareness.

Work continued throughout the financial reporting period on the agreed recommendations and action plan for improvements by the London Fire Brigade.

Insurance for Trustees and Officers

The charity purchases appropriate liability insurance for Trustees and certain officers, currently provided by Everest Insurance.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Report of the Trustees
for the Year Ended 31 March 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

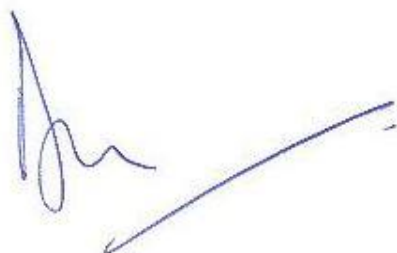
The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity Statement of Recommended Practice (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;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, 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.

Approved by order of the Board of Trustees on 10 January 2022 and signed on its behalf by:

A handwritten signature in blue ink, consisting of a stylized 'D' followed by a series of loops and a long horizontal stroke.

.....
Mr David Searle – Chair of the Board of Trustees

**Report of the Independent Auditors to the Trustees of
St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

Opinion

We have audited the financial statements of St. David's Nursing Home for Disabled Soldiers, Sailors and Airmen (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 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 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 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.

Material uncertainty relating to going concern

We draw attention to Going concern note 1 in the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the 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.

**Report of the Independent Auditors to the Trustees of
St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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:

- enquiry of management, those charged with governance around actual and potential litigation and claims.
- enquiry of entity staff to identify any instances of non-compliance with laws and regulations.
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- reviewing minutes of meetings of those charged with governance.
- performing audit work over the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

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 the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Munday Long & Co Limited
Chartered Certified Accountants
Statutory Auditors
Alton House
66/68 High Street
Northwood
Middlesex
HA6 1BL

Date: *10th January 2022*

Raymond Long (Senior Statutory Auditor)
For and on behalf of Munday Long & Co Limited



**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Statement of Financial Activities
for the Year Ended 31 March 2021**

	Notes	Unrestricted fund £	Restricted fund £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	13,487	-	13,487	149,259
Charitable activities	4				
Nursing home		3,598,760	-	3,598,760	4,212,139
Investment income	3	3,563	-	3,563	11,531
Other income	5	<u>27,072</u>	<u>171,809</u>	<u>198,881</u>	<u>19,060</u>
Total		3,642,882	171,809	3,814,691	4,391,989
EXPENDITURE ON					
Charitable activities	6				
Nursing home		<u>4,503,147</u>	<u>172,239</u>	<u>4,675,386</u>	<u>4,605,754</u>
NET INCOME/(EXPENDITURE)		(860,265)	(430)	(860,695)	(213,765)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>7,232,131</u>	<u>430</u>	<u>7,232,561</u>	<u>7,446,326</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>6,371,866</u></u>	<u><u>-</u></u>	<u><u>6,371,866</u></u>	<u><u>7,232,561</u></u>

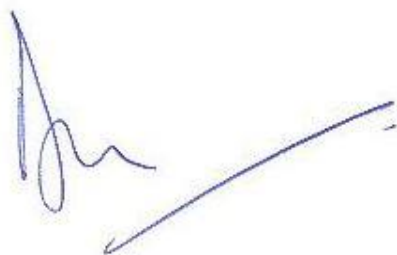
The notes form part of these financial statements

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Balance Sheet
31 March 2021**

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	12	4,875,946	5,052,214
CURRENT ASSETS			
Debtors	13	343,437	381,151
Cash at bank and in hand		<u>1,510,432</u>	<u>1,988,128</u>
		1,853,869	2,369,279
CREDITORS			
Amounts falling due within one year	14	(357,949)	(188,932)
NET CURRENT ASSETS		<u>1,495,920</u>	<u>2,180,347</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,371,866</u>	<u>7,232,561</u>
NET ASSETS		<u><u>6,371,866</u></u>	<u><u>7,232,561</u></u>
FUNDS	16		
Unrestricted funds		6,371,866	7,232,131
Restricted funds		<u>-</u>	<u>430</u>
TOTAL FUNDS		<u><u>6,371,866</u></u>	<u><u>7,232,561</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 10 January 2022 and were signed on its behalf by:



.....
Mr David Searle – Chair of the Board of Trustees

The notes form part of these financial statements

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Cash Flow Statement
for the Year Ended 31 March 2021**

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(445,556)</u>	<u>(46,391)</u>
Net cash used in operating activities		<u>(445,556)</u>	<u>(46,391)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(35,703)	(42,224)
Interest received		<u>3,563</u>	<u>11,531</u>
Net cash used in investing activities		<u>(32,140)</u>	<u>(30,693)</u>
Change in cash and cash equivalents in the reporting period		<u>(477,696)</u>	<u>(77,084)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,988,128</u>	<u>2,065,212</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,510,432</u></u>	<u><u>1,988,128</u></u>

The notes form part of these financial statements

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2021**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21 £	31.3.20 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(860,695)	(213,765)
Adjustments for:		
Depreciation charges	211,971	216,935
Loss on disposal of fixed assets	-	2,084
Interest received	(3,563)	(11,531)
Decrease/(increase) in debtors	37,714	(41,961)
Increase in creditors	<u>169,017</u>	<u>1,847</u>
Net cash used in operations	<u>(445,556)</u>	<u>(46,391)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>1,988,128</u>	<u>(477,696)</u>	<u>1,510,432</u>
	<u>1,988,128</u>	<u>(477,696)</u>	<u>1,510,432</u>
Total	<u>1,988,128</u>	<u>(477,696)</u>	<u>1,510,432</u>

The notes form part of these financial statements

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements
for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Going Concern

Across the Care Sector the impact of Covid-19 has been extremely significant. There has been considerable impact on the financial income, reserves and operational capability of most organisations operating in the sector, whether they be Charities or commercial Care operators. The Trustees and management team responded quickly to conserve cash and protect the Home's operations. There were very challenging management considerations and difficult decisions to be made during this reporting period, including closing the Home to visitors, increasing infection control measures, the purchase and use of Personal Protective Equipment (PPE) as routine and specific equipment for individual medical needs. A strict testing regime was in place during the reporting period, and this was costly in terms of staff hours, additional staff requirements and equipment.

The Home received financial support in terms of Grants from Central and Local Government Funds. Each of these Grants came with their own detailed qualifying terms and reporting obligations which placed further strains on the resources of the Home.

The level of enquiries over the April to December 2021 period have been encouraging but unfortunately not enough to significantly increase the current occupancy level. A financial forecast for the twelve months to April 2022 has been prepared and agreed by the Finance committee and approved by the Trustees. This indicates that although the cash resources diminish significantly over the year but the Home should still be left with positive cash reserves of £1.4m. The refurbishment work on rooms currently offline is ongoing and once complete this work should generate further income as the increased capacity is converted into higher room occupancy levels.

The Trustees are of the opinion that the going concern principle is appropriate and that the Home has the necessary resources to continue as a going concern for the foreseeable future. The Trustees and management are monitoring the situation closely and will take all necessary and appropriate action to maintain the Home and meet their obligations given these challenging circumstances.

It is uncertain whether, and when the Home will return to profitability and positive cash flows from operations. These uncertainties may cast significant doubt on the charity's ability to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Improvements to property	- 10% on cost and 2% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 15% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Government grants

Government grants, including the COVID-19 job retention scheme grant, are credited to the Statement of financial activities as the related expenditure is incurred.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Donations	13,487	-	13,487	5,319
Legacies	-	-	-	143,940
	<u>13,487</u>	<u>-</u>	<u>13,487</u>	<u>149,259</u>

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

3. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Deposit account interest	<u>3,563</u>	<u>-</u>	<u>3,563</u>	<u>11,531</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.21 £	31.3.20 £
Patients' fees	Nursing home	<u>3,598,760</u>	<u>4,212,139</u>

5. OTHER INCOME

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Shop income	7,045	-	7,045	12,522
Sundry income	<u>20,027</u>	<u>171,809</u>	<u>191,836</u>	<u>6,538</u>
	<u>27,072</u>	<u>171,809</u>	<u>198,881</u>	<u>19,060</u>

Government grants to control the spread of COVID-19 including infection control grant are treated as restricted income.

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Nursing home	<u>4,666,686</u>	<u>8,700</u>	<u>4,675,386</u>

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.21	31.3.20
	£	£
Staff costs	3,383,351	3,476,468
Hire of equipment	25,990	27,995
Rates and water	34,162	30,782
Insurance	43,881	29,064
Light and heat	96,226	89,087
Telephone	14,841	14,473
Postage and stationery	9,918	15,766
Advertising	6,333	2,121
Sundries	27,104	23,890
Medical expenses	209,916	135,693
Repairs and renewals	102,586	162,452
Cleaning	71,795	88,605
Food and catering	107,591	118,861
Accountancy	63,710	58,223
Motor expenses	5,472	7,479
Travelling	10,776	347
Bank charges	2,456	3,060
Rechargeable expenses	14,331	20,229
Chapel and comfort costs	1,500	7,252
Legal and professional fees	29,633	42,088
Staff training	16,808	18,125
Staff recruitment	33,048	35,471
IT costs	26,346	20,556
Bad debts	48,006	(50,114)
Provision for reclaim of Grant	68,935	-
Depreciation	211,971	216,937
Loss on sale of assets	-	2,084
	<u>4,666,686</u>	<u>4,596,994</u>

Restricted expenses included in above totals

	31.3.21	31.3.20
	£	£
Staff costs	128,515	-
Telephone	1,096	-
Sundries	430	-
Medical expenses	20,000	-
Repairs and renewals	5,894	-
Cleaning	6,142	-
Travelling	8,935	-
Staff training	1,227	-
	<u>172,239</u>	<u>-</u>

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

8. SUPPORT COSTS

Governance costs	31.3.21 £	31.3.20 £
Auditors' remuneration	<u>8,700</u>	<u>8,760</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

10. STAFF COSTS

	31.3.21 £	31.3.20 £
Wages and salaries	2,389,310	2,465,927
Social security costs	191,772	170,596
Pension costs	47,077	49,758
Agency staff	<u>755,192</u>	<u>790,187</u>
	<u>3,383,351</u>	<u>3,476,468</u>

The average monthly number of payrolled employees during the year was as follows:

	31.3.21	31.3.20
Residential care and nursing services	105	110
Management and administrative staff	<u>8</u>	<u>7</u>
	<u>113</u>	<u>117</u>

	31.3.21	31.3.20
Number of employees received emoluments between £80,001 to £90,000	1	-
Number of employees received emoluments between £70,001 to £80,000	-	1
Number of employees received emoluments between £60,000 to £70,000	<u>2</u>	<u>1</u>

The charity operates a defined contribution pension scheme for qualifying employees. The contributions for the year are as above. All contributions were paid over to the scheme during the year.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	148,829	430	149,259
Charitable activities			
Nursing home	4,212,139	-	4,212,139
Investment income	11,531	-	11,531
Other income	<u>19,060</u>	<u>-</u>	<u>19,060</u>
Total	4,391,559	430	4,391,989
EXPENDITURE ON			
Charitable activities			
Nursing home	<u>4,605,754</u>	<u>-</u>	<u>4,605,754</u>
NET INCOME/(EXPENDITURE)	(214,195)	430	(213,765)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>7,446,326</u>	<u>-</u>	<u>7,446,326</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>7,232,131</u></u>	<u><u>430</u></u>	<u><u>7,232,561</u></u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2020	151,123	6,466,891	788,273	107,543	7,513,830
Additions	<u>-</u>	<u>7,425</u>	<u>28,278</u>	<u>-</u>	<u>35,703</u>
At 31 March 2021	<u>151,123</u>	<u>6,474,316</u>	<u>816,551</u>	<u>107,543</u>	<u>7,549,533</u>
DEPRECIATION					
At 1 April 2020	-	1,835,887	593,898	31,831	2,461,616
Charge for year	<u>-</u>	<u>169,772</u>	<u>30,842</u>	<u>11,357</u>	<u>211,971</u>
At 31 March 2021	<u>-</u>	<u>2,005,659</u>	<u>624,740</u>	<u>43,188</u>	<u>2,673,587</u>
NET BOOK VALUE					
At 31 March 2021	<u>151,123</u>	<u>4,468,657</u>	<u>191,811</u>	<u>64,355</u>	<u>4,875,946</u>
At 31 March 2020	<u>151,123</u>	<u>4,631,004</u>	<u>194,375</u>	<u>75,712</u>	<u>5,052,214</u>

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

12. TANGIBLE FIXED ASSETS - continued

Based on the valuation of the freehold property for insurance purposes, the Trustees believe the market value of the property to be significantly greater than the carrying value reported in the financial statements and therefore have not depreciated the freehold property.

The freehold property is valued for insurance purposes at £13,800,000 an excess of £9,180,220 over the carrying value in the financial statements.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Trade debtors	207,234	335,941
Other debtors	30,923	1,514
Prepayments and accrued income	<u>105,280</u>	<u>43,696</u>
	<u>343,437</u>	<u>381,151</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Trade creditors	137,290	62,072
Social security and other taxes	64,519	54,933
Other creditors	101,140	41,300
Accrued expenses	<u>55,000</u>	<u>30,627</u>
	<u>357,949</u>	<u>188,932</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	31.3.21 Total funds £	31.3.20 Total funds £
Fixed assets	4,875,946	-	4,875,946	5,052,214
Current assets	1,841,150	12,719	1,853,869	2,369,279
Current liabilities	<u>(345,230)</u>	<u>(12,719)</u>	<u>(357,949)</u>	<u>(188,932)</u>
	<u>6,371,866</u>	<u>-</u>	<u>6,371,866</u>	<u>7,232,561</u>

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

16. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	7,232,131	(860,265)	6,371,866
Restricted funds			
Restricted funds	430	(430)	-
TOTAL FUNDS	<u>7,232,561</u>	<u>(860,695)</u>	<u>6,371,866</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,642,882	(4,503,147)	(860,265)
Restricted funds			
Restricted funds	171,809	(172,239)	(430)
TOTAL FUNDS	<u>3,814,691</u>	<u>(4,675,386)</u>	<u>(860,695)</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	7,446,326	(214,195)	7,232,131
Restricted funds			
Restricted funds	-	430	430
TOTAL FUNDS	<u>7,446,326</u>	<u>(213,765)</u>	<u>7,232,561</u>

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,391,559	(4,605,754)	(214,195)
Restricted funds			
Restricted funds	430	-	430
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,391,989</u>	<u>(4,605,754)</u>	<u>(213,765)</u>

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	13,487	-	13,487	5,319
Legacies	-	-	-	143,940
	13,487	-	13,487	149,259
Investment income				
Deposit account interest	3,563	-	3,563	11,531
Charitable activities				
Patients' fees	3,598,760	-	3,598,760	4,212,139
Other income				
Shop income	7,045	-	7,045	12,522
Sundry income	20,027	171,809	191,836	6,538
	27,072	171,809	198,881	19,060
Total incoming resources	3,642,882	171,809	3,814,691	4,391,989
EXPENDITURE				
Charitable activities				
Wages	3,015,987	128,515	3,144,502	3,256,114
Social security	191,772	-	191,772	170,596
Pensions	47,077	-	47,077	49,758
Hire of equipment	25,990	-	25,990	27,995
Rates and water	34,162	-	34,162	30,782
Insurance	43,881	-	43,881	29,064
Light and heat	96,226	-	96,226	89,087
Telephone	13,745	1,096	14,841	14,473
Postage and stationery	9,918	-	9,918	15,766
Advertising	6,333	-	6,333	2,121
Sundries	26,674	430	27,104	23,890
Medical expenses	189,916	20,000	209,916	135,693
Repairs and renewals	96,692	5,894	102,586	162,452
Cleaning	65,653	6,142	71,795	88,605
Food and catering	107,591	-	107,591	118,861
Accountancy	63,710	-	63,710	58,223
Motor expenses	5,472	-	5,472	7,479
Travelling	1,841	8,935	10,776	347
Carried forward	4,042,640	171,012	4,213,652	4,281,306

This page does not form part of the statutory financial statements

**St. David's Nursing Home for Disabled
Soldiers, Sailors and Airmen**

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Charitable activities				
Brought forward	4,042,640	171,012	4,213,652	4,281,306
Bank charges	2,456	-	2,456	3,060
Rechargeable expenses	14,331	-	14,331	20,229
Chapel and comfort costs	1,500	-	1,500	7,252
Legal and professional fees	29,633	-	29,633	42,088
Staff training	15,581	1,227	16,808	18,125
Staff recruitment	33,048	-	33,048	35,471
IT costs	26,346	-	26,346	20,556
Bad debts	48,006	-	48,006	(50,114)
Provision for reclaim of Grant	68,935	-	68,935	-
Improvements to property	169,772	-	169,772	170,355
Fixtures and fittings	30,842	-	30,842	33,111
Motor vehicles	11,357	-	11,357	13,471
Loss on sale of tangible fixed assets	-	-	-	2,084
	<u>4,494,447</u>	<u>172,239</u>	<u>4,666,686</u>	<u>4,596,994</u>
Support costs				
Governance costs				
Auditors' remuneration	<u>8,700</u>	<u>-</u>	<u>8,700</u>	<u>8,760</u>
Total resources expended	<u>4,503,147</u>	<u>172,239</u>	<u>4,675,386</u>	<u>4,605,754</u>
Net (expenditure)/income	<u>(860,265)</u>	<u>(430)</u>	<u>(860,695)</u>	<u>(213,765)</u>

This page does not form part of the statutory financial statements