

Charity Registered number  
1040892

Michael Batt Charitable Trust  
Report and Financial Statements  
31 March 2021

**Michael Batt Charitable Trust**  
**Trust Information**

**Trustees**

Dr M Batt  
Mr A Forrester  
Mr A Mackie  
Dr D Kayanja

**Charity number**

1040892

**Principal Address**

Tower Hill  
Coleshill  
Amersham  
HP7 0LA

**Auditors**

Bromhead  
Harscombe House  
1 Darklake View  
Estover  
Plymouth  
PL6 7TL

**Solicitors**

Gill Akaster  
25 Lockyer Street  
Plymouth

**Bankers**

NatWest Bank  
12-16 Old Town Street  
Plymouth  
PL1 1DG

**Michael Batt Charitable Trust**  
**Report and accounts**  
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## **Michael Batt Charitable Trust**

**Registered charity number:** 1040892

### **Trustees' Report**

The trustees present their report and financial statements for the year ended 31 March 2021.

#### **Principal activities**

The charity's principal address is Rushymead Residential Home, Tower Road, Coleshill, Buckinghamshire, HP7 0LA.

#### **Trustees**

The following persons served as trustees during the year:

Mr Michael Batt - Chairman  
Mr Alan Forrester - Treasurer  
Mr Derek Kayanja  
Mr Alistair Mackie

#### **Structure, governance and management**

Type of governing document - Deeds dated 22/08/1994 and updated/amended on 10/10/2013.

How the Charity is constituted - Trust

Trustee selection methods - Appointed by the Trustees

#### **Policies and procedures adopted for the induction and training of trustees:**

There are no formal policies. New trustees, previously known for at least five years to the Board of Trustees, are approached and if accepted are subsequently appointed by the Trustees.

#### **The Charity's organisational structure and any wider network with which the Charity works:**

The Charity is administered by a Management Body comprising the Chairman and Trustees. There are no related parties.

#### **Trustees' consideration of major risks and the system and procedures to manage them:**

The key risks are:

- 1 Long term vacancies more than 10% of our 28 rooms
- 2 Cashflow difficulties
- 3 Long term staff shortages

Under the terms of the risk management policy adopted by the Trustees, the strategic operational and financial risks to which the Charity is exposed are evaluated on a continuing basis and appropriate systems have been put in place to mitigate any major risks which are identified. The Trustees are satisfied that this policy is sufficient to identify those risks on a timely basis and to ensure that appropriate action be taken so as to keep perceived risks to an acceptable level.

#### **Objectives and activities:**

**Under the terms of the Deeds of the Charity dated 22/08/1994 and 10/10/2013 and confirmed by the Charity Commission website**

To relieve sickness by supporting the works of hospice organisations throughout England and Wales registered as charities dedicated to the relief and welfare of the terminally ill and to promote the welfare of the elderly by advancing the relief of old age.

#### **Summary of the objects of the Charity set out in its governing document:**

The objects of the Charity are set out in its Deeds, dated on 22 August 1994 and updated and amended on 10 October 2013. These are to provide support to the elderly by advancing the relief of old age.

The Chairman and Trustees receive no remuneration nor any payment for services provided.

Expenses of £0 (2020 - £1,754) were incurred to cover the cost of conducting business on behalf of the Charity.

#### **Summary of the main activities undertaken for the public benefit in relation to these objects**

The trustees are aware of and heed the guidance issued by the Charity Commission on public benefit.

## **Michael Batt Charitable Trust**

**Registered charity number:** 1040892

### **Trustees' Report**

The Charity continues to provide an essential service to the community as set out in its objectives and activities above. There are no other objectives and activities.

Our residents are, as far as their mental and corporeal faculties allow, happy and contented. Further, their guardians/relatives speak highly of the care and attention given to their charges/relatives and rate Rushymead highly in response to our requests for their input.

Websites listing care homes in our locality where we regularly score 9+ out of 10.

The home is registered with the CQC and Buckinghamshire County Council. In its last and probably final unannounced inspection in 2018, they rated us as "good" (we strive to obtain the top rating "excellent"). Bucks CC regularly rates Rushymead as providing a high standard of care and attention. The CQC's purpose has not changed, they will continue to make sure the services provide safe, effective, compassionate and high quality care. They are making changes to help them do this, no longer set a maximum interval, based on previous ratings, between inspections. Previously they have always needed to carry out a site visit to give a rating. Going forward, they will start to use a wider range of regulatory approaches to assess quality and rate. We kept our good rating for July. Basically they now use a mix of onsite and off-site monitoring to ensure the public have assurance as to the safety and quality of the care they receive and as we emerge from the pandemic they will further develop their monitoring approach. In accordance with this approach they carried out a review of the data available to them about Rushymead on the 5th August 2021, they did not find evidence that they need to carry out an inspection or reassess their rating. They will continue to monitor data and should send monthly emails in relation to the evidence, all is satisfactory to date and we retain our good rating.

On 19 August 2021 the trustees received an email from the CQC advising that an anonymous, detailed complaint, had been received, primarily regarding our manager Bev Sturges and her daughter Lisa Gee, which impacted on the remaining staff. A response was emailed that day confirming the trustees took the matter seriously and would thoroughly investigate the complaint. Derek Karanja made an unannounced visit on 23 August and reported his findings to the trustees on that date. He said, inter alia, that "morale amongst the staff is high and the residents are happy". The trustees held an online meeting on 26 August and were happy to accept Derek's report in its entirety deciding to adopt all his recommendations. The chairman of the trustees, Michael Batt, wrote to the CQC on 27 August advising Derek's report and confirming that all recommendations were accepted and acted upon. The CQC investigation was closed on 3 September.

### **Achievements and performance**

We continue to receive positive feedback from our residents and their families and from the CQC and Buckinghamshire County Council.

### **Financial review**

During the year the Charity received £1,215,573 from care home accommodation fees and spent £1,199,938 providing for these. (2020 £1,119,195 and £1,121,057).

### **Brief statement of the Charity's policy on reserves:**

It is the policy of the Trustees to plan adequate funds for such amounts as are appropriate to provide the care and support of our residents. The Trustees feel that the current level of reserves meets our reserve policy. The deficit of £99,000 (31-03-2020 £65,000) is a result of accounting standards requiring the recognition of a pension deficit provision in full.

### **Details of any funds materially in deficit:**

Save for the potential pension fund deficit there are no other funds in deficit.

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**Michael Batt Charitable Trust**

**Registered charity number:** 1040892

**Trustees' Report**

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**The Charity's principal sources of funds (including any fundraising):**

Providing accommodation and care to our residents who are both privately and publically funded. The Charity does not fundraise.

**How expenditure has supported the key objectives of the Charity:**

The Trustees strive to ensure that sufficient funds are made available to pay all suppliers and staff.

**Investment policy and objectives including any ethical investment policy adopted:**

The Charity has no Investments.

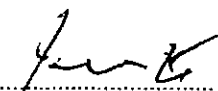
**Future developments**

Continue to maintain and improve the decoration and furnishings of all rooms.  
In the future it is intended to further develop any rooms, where it is appropriate and feasible, to extend them to incorporate personal bathrooms.

**Covid 19:**

To date the virus has had little significant impact on Rushmead's activities due to the additional efforts being made to frequently check this disease, using Lateral Flow Tests etc on both residents and staff and allow visitors entry on a restricted basis. The Trustees are delighted to report that, at the date of signing this report, neither staff nor residents have been infected or suffered, in any way, any effects of this virus. This is entirely due to the stringent precautions set up by our manager, Beverly Sturges, and her management team and vigorously observed by everyone during the entire period to date.

The annual report was approved by the trustees of the charity and signed on its behalf by:



Mr A Forrester - Trustee

Dated 28 January 2022

**Michael Batt Charitable Trust**  
**Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

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 for that year. In preparing these financial statements the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- 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 company will continue in business.

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

Approved by the trustees of the charity and signed on its behalf by:



.....  
Mr Alan Forrester - trustee

**Michael Batt Charitable Trust  
Independent auditor's report  
to the Trustees of Michael Batt Charitable Trust**

**Opinion**

We have audited the financial statements of Michael Batt Charitable Trust for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the trust's affairs as at 31 March 2021 and of its incoming resources and application of these resources
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011

**Basis of opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Emphasis of matter**

We draw attention to the disclosure made in note 13 to the financial statements concerning the charity's matter. ability to continue as a going concern resulting from the charity's liabilities in excess of assets by £40,631. Our opinion is not modified in respect of this.

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Michael Batt Charitable Trust  
Independent auditor's report  
to the Trustees of Michael Batt Charitable Trust**

**Matters on which we are required to report by exception**

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

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

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 are; we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the care sector which include: The Charities Act 2011, Charity SORP 2019, FRS 102, the Health & Social Care Act, data protection regulations, health and safety regulations and employment legislation. We assessed the extent of compliance with the laws and regulations identified through making enquiries of management and inspecting legal correspondence where relevant. To address the risk of fraud through management bias and override of controls, we performed analytical review and tested journal entries to identify unusual transactions. There are inherent limitations in our audit procedures described above and the more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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

**Use of our report**

This report is made solely to the Charity 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 trustees those matters we are required to state to trustees in an audit report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and trustees as a body for our audit work, for this report or for the opinions we have formed.

Bromhead  
Statutory Auditors

*Bromhead*  
31/1/22

Harscombe House  
1 Darklake View  
Estover  
Plymouth  
PL6 7TL

Bromhead Accountants Limited is eligible for appointment as auditor of the charity virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**Michael Batt Charitable Trust**  
**Statement of Financial Activities**  
**Including Income and Expenditure Account**  
**for the year ended 31 March 2021**

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<b><u>Income from:-</u></b>			
Charitable Activities		1,215,573	1,119,195
<b>Total Income</b>	2	<u>1,215,573</u>	<u>1,119,195</u>
<b><u>Expenditure on</u></b>			
Charitable activities	3	<u>1,199,938</u>	<u>1,121,057</u>
<b><u>Net income/(expenditure) for the year</u></b>			
Net movement in funds		15,635	(1,862)
Provision for deficit on defined contribution pension fund		(34,000)	(65,000)
Fund balances at 1 April		(22,266)	44,596
Fund balances at 31 March		<u>(40,631)</u>	<u>(22,266)</u>

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

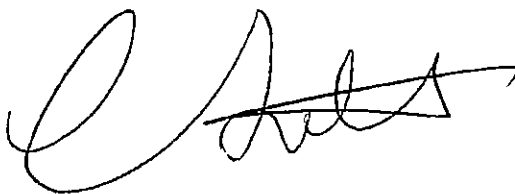
All income and expenditure derive from continuing activities.

**Michael Batt Charitable Trust**  
**Balance Sheet**  
**as at 31 March 2021**

	Notes	2021 £	2020 £
		Unrestricted funds	Unrestricted funds
<b>Fixed assets</b>			
Tangible assets	5	34,655	29,132
<b>Current assets</b>			
Stocks	6	4,000	2,500
Debtors	7	55,634	62,907
Cash at bank and in hand		52,992	50,291
		<u>112,626</u>	<u>115,698</u>
<b>Creditors: amounts falling due within one year</b>	8	(88,912)	(102,096)
		23,714	13,602
Provision for deficit on pension fund		(99,000)	(65,000)
<b>Net assets</b>		<u>(40,631)</u>	<u>(22,266)</u>
<b>Income Funds</b>			
Unrestricted funds		(40,631)	(22,266)
<b>Total equity</b>		<u>(40,631)</u>	<u>(22,266)</u>

The financial statements were approved by the Trustees on 28 January 2022

Dr M Batt  
Trustee



**Michael Batt Charitable Trust**  
**Statement of Cash Flows**  
**for the year ended 31 March 2021**

	Notes	2021 £	2020 £
<b>Operating activities</b>			
net (expenditure)/income		15,635	(1,862)
Adjustments for:			
Depreciation		8,664	7,283
Increase in stocks		(1,500)	(1,000)
(Increase)/decrease in debtors		7,273	(36,636)
Increase(decrease) in creditors		(13,184)	21,601
		<u>16,888</u>	<u>(10,614)</u>
Cash (used in)/generated by operating activities		<u>16,888</u>	<u>(10,614)</u>
<b>Investing activities</b>			
Payments to acquire tangible fixed assets		(14,187)	(1,500)
Cash used in investing activities		<u>(14,187)</u>	<u>(1,500)</u>
<b>Net cash (used in)/generated</b>			
Net cash (used in)/generated by operating activities		16,888	(10,614)
Cash used in investing activities		(14,187)	(1,500)
Net cash generated		<u>2,701</u>	<u>(12,114)</u>
Cash and cash equivalents at 1 April		<u>50,291</u>	<u>62,405</u>
Cash and cash equivalents at 31 March		<u>52,992</u>	<u>50,291</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>52,992</u>	<u>50,291</u>

**Michael Batt Charitable Trust**  
**Notes to the Accounts**  
**for the year ended 31 March 2021**

**1 Summary of significant accounting policies**

**1.1 Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

**1.2 Basis of preparation**

Michael Batt Charitable Trust 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 state in the relevant accounting policy notes.

**1.3 Going concern**

The Charity continues to be in a net liabilities position. The Trustees believe that it is appropriate to prepare the accounts on a going concern basis, given a forecast for improved surplus in the coming year.

The Trustees believe there are no material uncertainties above the charity's ability to continue as a going concern.

**1.4 Income and endowments**

All income, including care home income, is recognised once the charity has entitlement to the income, the economic benefit is probable and the amount can be reliably measured. Voluntary income including donations, gifts, grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the received and the amount can be measured with sufficient reliability.

**1.5 Donations and legacies**

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

**1.6 Deferred Income**

Deferred income represents amounts received for future periods and is released to income for the period

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement except

**1.7 Expenditure**

All expenditure is recognised once there is a legal or constructive expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

**Michael Batt Charitable Trust**  
**Notes to the Accounts**  
**for the year ended 31 March 2021**

**1.8 Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**1.9 Support costs**

Support costs include central functions and have been allocated to categories on a basis consistent with the use of resources, for allocating property costs by floor areas, on per capita, staff costs by spent and other costs by their usage.

**1.10 Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

**1.11 Taxation**

The Trust is exempt from tax on its charitable activities.

**1.12 Tangible fixed assets**

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:-

Plant and machinery (20% reducing balance)

**1.13 Stocks**

Stocks are measured at the lower of cost and estimated selling price to complete and sell. Cost is determined using the first in first out

**1.14 Debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business. Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

**1.15 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short term investments that are readily convertible to a known amount of cash and are subject to no change in value.

**Michael Batt Charitable Trust**  
**Notes to the Accounts**  
**for the year ended 31 March 2021**

**1.16 Creditors**

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially transaction price net of any transaction costs and subsequently cost determined using the effective interest method.

**1.17 Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised costs, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

**1.18 Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

**1.19 Financial Instruments**

*Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting its liabilities.

*Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**1.20 Pension scheme**

The deficit on the pension scheme has been accounted for in the Statement of Financial Activities.

The Charity participates in TPT Retirement Solutions a multi employer pension scheme which provides benefits to some 950 non associated participating employers.

The scheme is a defined benefit scheme, it is not possible for them to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme.

The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in

**Michael Batt Charitable Trust**  
**Notes to the Accounts**  
**for the year ended 31 March 2021**

accordance with section 28 of FRS 102.

The charity accounts for the scheme as a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement that determines how each employer within the scheme will fund the overall deficit, the charity recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The charity's total liability under the recovery plan has been recognised in the accounts at its present value. Contributions towards this plan continue to be made on a monthly basis and the accounts will recognise the unwinding of the relevant discount provision.

**1.21 Rights preferences and restrictions of the Trust document**

These are set out in the Deed of Trust dated 22/08/1994 and were updated 10/10/2013.

**Michael Batt Charitable Trust**  
**Notes to the Accounts**  
**for the year ended 31 March 2021**

<b>2</b>	<b>Analysls of income</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Charities Activities - Residential care home	1,139,605	1,118,792
	Donations and legacies	3,514	403
	Covid Grants	72,454	-
		<u>1,215,573</u>	<u>1,119,195</u>
	By geographical market:		
	UK	<u>1,215,573</u>	<u>1,119,195</u>
<b>3</b>	<b>Expenditure on charitable activities</b>	Unrestricted funds	
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Residential care home	(1,195,378)	(1,117,457)
	Governance costs	(4,560)	(3,600)
		<u>(1,199,938)</u>	<u>(1,121,057)</u>
	<b>Analys of governance and support costs</b>		
	Allocated support costs - audit fees	<u>4,560</u>	<u>4,200</u>

**4 Trustee remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

At the balance sheet date the amount due to Dr Michael Batt (Chairman) was £9,299 (2020 £8639).

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	800,088	712,570
Social security costs	51,325	49,038
Other pension costs	37,831	38,428
	<u>889,244</u>	<u>800,036</u>

**Average number of employees during the year**

	<b>Number</b>	<b>Number</b>
Administration	<u>40</u>	<u>40</u>

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

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**5 Tangible fixed assets**

	<b>Fixtures, fittings, tools and equipment</b>
	<i>At cost</i>
<b>Cost or valuation</b>	<b>£</b>
At 1 April 2020	216,795
Additions	14,187
	<u>230,982</u>
<b>Depreciation</b>	
At 1 April 2020	187,663
Charge for the year	8,664
	<u>196,327</u>
<b>Carrying amount</b>	
At 31 March 2021	34,655
At 31 March 2020	<u>29,132</u>

<b>6 Stocks</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Stocks	<u>4,000</u>	<u>2,500</u>

<b>7 Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	17,905	24,022
Other debtors	2,354	2,354
Prepayments and accrued income	35,375	36,531
	<u>55,634</u>	<u>62,907</u>

<b>8 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	37,044	55,332
Other taxes and social security costs	14,315	14,445
Other creditors	14,275	15,400
Accruals and deferred income	23,278	16,919
	<u>88,912</u>	<u>102,096</u>

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<b>9</b>	<b>Analysis of net assets between funds</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Fund balances are represented by:		
	Tangible assets	34,655	29,132
	Current assets/(liabilities)	23,714	13,602
	Provision for deficit on pension fund	(99,000)	(65,000)
	At 31 March	<u>(40,631)</u>	<u>(22,266)</u>

**10 Related party transactions**

**Alan Forrester (trustee)**

Mr A D Forrester is a director of Alan Forrester & Co. Ltd, Accountants . In accordance with the Trust Deed his firm charges for accountancy, payroll and book-keeping services. During the year the amount paid by the Trust to the firm was £37,712 including VAT (2020 £39,911). At the year end £2,910 (2020 £2,788) was owed to the firm. At the Balance Sheet date the amount due to/from Alan Forrester was nil (2020 nil).

**Dr M J L Batt (trustee)**

The property known as Rushymead is owned by Rushymead Ltd, a company controlled by the trustee, Dr Michael Batt.

The trust enjoys a fifteen year lease, at an annual rent of £25,000 per annum, which is about half the market rate.

During the year, rent of £8,364 was paid (2020 £36,385).

At the balance sheet date the amount due to Dr M J L Batt was £9,299 (2020 £8,639).

**11 Pension fund deficit**

The charity has accounted for the deficit on the pension scheme through the Statement of Financial Activities under the provisions of paragraphs 28.13 and 28.13A of FRS 102.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Pension deficit provision	99,000	65,000

TPT Retirement Solutions report at 31 March 2021 indicated that the fair value of assets attributable to the trust at 31 March 2021 total £675,000 (31 March 2020 £621,000)

The present value of defined benefit obligations attributable to the trust at 31 March 2021 total £774,000 (31 March 2020 £686,000). The total deficit in plan at 31 March 2021 is therefore £99,000 (31 March 2020 £65,000).

Key assumptions in the valuation:

Discount rate	1.95%
Inflation (RPI)	3.38%
Inflation (CPI)	2.78%
Salary growth	3.78%

Current Life expectancy on retirement at age 65 adopted at 31 March 2021

Male retiring in 2021 (years)	21.6
Female retiring in 2021 (years)	23.5
Male retiring in 2041 (years)	22.9

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Female retiring in 2041 (years) 25.1

A full actuarial valuation for the scheme was carried out at 30 September 2017 which showed assets of £794.9m, liabilities of £926.4m and deficit of £131.5m. To eliminate this shortfall, participating employers are required to pay additional contributions to the scheme From 1 April 2019 to 31 January 2025 £11,243 per annum payable monthly, increasing by 3% per per annum on 1st April of which the trust pays it proportionate share.

**12 Leasing Agreements**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	25,000	25,000
Between one and two years	25,000	25,000
Between two and five years	50,000	75,000

**13 Going Concern**

The Charity has net liabilities of £40,631 which is in part a result of a requirement to recognise a provision for future pension deficits since 2020. The home remains fully operational despite the challenges of the covid-19 global pandemic, and forecasts prepared by management reflect an increase surplus in the coming year to help rectify the reserves position. The going concern basis is still appropriate.