

Report of the Trustees and
Financial Statements For The Period 1 April 2021 to 31 December 2021
for
Ronald McDonald House Glasgow

Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

Ronald McDonald House Glasgow

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For The Period 1 April 2021 to 31 December 2021

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Report of the Trustees
For The Period 1 April 2021 to 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 1 April 2021 to 31 December 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's object is to provide high quality "home away from home" accommodation and such other assistance and support as the board may determine to the families of sick children while their child is receiving hospital treatment at any hospital within the west of Scotland.

The House provides cost free accommodation and a caring environment for families with children in hospital. It has 31 private en-suite rooms, free on-site parking and a private garden. Each room is equipped with free Wi-Fi, television and a direct phone line to the child's ward. There are; 6 fully equipped kitchen zones, dining areas, laundry and drying facilities. The shared communal spaces including a library, lounges and play areas are all equipped with toys and games.

Our main partner hospital, the Royal Hospital for Children Glasgow (RHCG) provides many specialist services to the whole of Scotland. This means that we welcome families from all over Scotland and further afield. Families are welcome irrespective of their personal or financial circumstances.

The House is open and staffed 24 hours a day, able to take in new referrals 365 days of the year.

ACHIEVEMENTS AND PERFORMANCE

As well as providing accommodation and support for the families of sick children the House is also approved by the hospital as a suitable place for certain patients to stay. This not only aids the child's recovery, eases the stress on the family but also helps the NHS to free up patient beds and achieve their own targets.

The House uses various KPI's to monitor its activities, achievements and performance. These KPI's are reviewed regularly by the house management, the fundraising team and trustees.

The Covid pandemic continues to have an impact on the House. Despite those challenges it has remained open and functional due to the commitment of its staff and support of its many donors. We wish to express our thanks and gratitude to each and every one of them for their help in achieving this in what were sometimes unexpected and difficult circumstances.

Some notable extracts from the KPI's for the period are

Accommodation (number of people)

# of parents/carers/siblings accommodated	525
# patients accommodated	6
Total people accommodated	531

Accommodation (length of stay / nights)

Average	31
Shortest	1
Longest	294

Distance travelled by individual / family (miles)

Average	122
Shortest	7
Longest	3,053

STRATEGIC REPORT

Financial position

The results for the financial period together with additional notes highlighting significant items of income and expenditure are set out in detail in the following pages.

Ronald McDonald House Glasgow is funded through events and donations. Income from both these streams was restricted due to the limitations of the ongoing pandemic. Going forward it is anticipated that as people and society return to normal and events restart then a stronger financial position can be anticipated.

Report of the Trustees
For The Period 1 April 2021 to 31 December 2021

STRATEGIC REPORT

Financial review

Investment Policy and Performance

The Charity's investment objectives are to grow the value of its capital with a low attitude to risk.

Reserves policy

As an independent self-funding charity the reserves policy has been set so as to maintain adequate funds for the next 9 to 12 months. The funds needed to meet immediate, short and medium term commitments are held in cash.

The designated funds shown in the accounts represent unrestricted funds that have been set aside by the Board for specific purposes.

Designated Fund A - Fixtures and Fittings Life Cycle Cost Plan

The trustees will endeavour to maintain this fund at a level commensurate with anticipated maintenance in the House.

Designated Fund B - Development Plan for House Enlargement

Given the continued uncertainty around; covid, rates of inflation, cost of living and utilities the trustees have paused their thoughts on increasing the size of the building at this time.

Plans for Future Periods

For the greater comfort of our families plans are already in development to improve the bedrooms, kitchen areas and gardens. We look forward to restarting events that will improve both our fundraising income and support base. We will work closely with McDonald restaurants and their franchisees to nurture and build our excellent relationships. Our volunteer programme which was effectively paused during covid will be restarted and improved. We will continue to review our systems and processes to improve our overall efficiency.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure, Governance and Management

Ronald McDonald House Glasgow is a Scottish Charity, Number SC02319, it is a company limited by guarantee and has no share capital. It is controlled by its governing document, the Articles of Association which were updated in 2022.

The Board has overall control of the organisational structure and decision making with day to day operations delegated to the team under the House Director with regular monitoring.

The Board meets at least quarterly with an annual AGM and reviews the major risks which the Charity faces. The trustees carry out annual reviews of the controls over key financial systems and also examine other operational and business risks which the Charity faces and have established systems to mitigate significant risks.

Salaries are reviewed annually.

The composition of the Board is reviewed regularly to ensure areas of expertise required by the House are adequately covered. A skills audit is performed annually to identify the current skills of the Board and highlight possible gaps. The information produced will guide the Board when it comes to recruiting new trustees ensuring that they have the appropriate knowledge, experience or skills to enhance its performance and capability.

The Chairman undertakes Trustee inductions.

The House operates with permission from Ronald McDonald House Charities, Chicago, USA to use the name 'Ronald McDonald House'. The charity in America has set standards of operation which Ronald McDonald House Glasgow strives to exceed.

There is no financial cost or benefit to this arrangement and therefore Ronald McDonald House Glasgow is totally independent in this connection and is solely responsible for its own fundraising.

CUSTODIAN TRUSTEE

No funds or assets are held by any trustee for and on behalf of the charity/company.

Report of the Trustees
For The Period 1 April 2021 to 31 December 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC155050 (Scotland)

Registered Charity number

SC023199

Registered office

1299 Govan Road
Glasgow
G51 4TE

Trustees

C C Grant Chair
P J O'Keefe
J W Anderson Secretary/Treasurer (resigned 1.4.21)
I Boyle
Ms A M Crusher (resigned 21.12.21)
D Watson
Ms G Kirkness
J Mclean
L Millar
B Gallacher (appointed 21.12.21)
K King (appointed 21.12.21)
M McCudden (appointed 21.12.21)
P Wilson (appointed 21.12.21)
M Wright (appointed 21.12.21)
N Morrison (appointed 21.12.21)

No trustee holds title to property belonging to the Charity.

Management team:

House Director - has overall responsibility for the management of the Charity.

House Manager - has day to day responsibility for the running of the House.

Company Secretary

N Morrison

Senior Statutory Auditor

Janice Alexander

Auditors

Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

Solicitors

Anderson Strathern LLP
George House
50 George Square
Glasgow
G2 1EH

Report of the Trustees
For The Period 1 April 2021 to 31 December 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Royal Bank of Scotland
Glasgow City Branch
10 Gordon Street
Glasgow
G1 3PL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Ronald McDonald House Glasgow for the purposes of company law) 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).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 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 charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO THE AUDITOR

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Robb Ferguson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 September 2022 and signed on the board's behalf by:

C C Grant - Trustee

Report of the Independent Auditors to the Trustees and Members of
Ronald McDonald House Glasgow

Opinion

We have audited the financial statements of Ronald McDonald House Glasgow (the 'charitable company') for the period ended 31 December 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Trustees and Members of
Ronald McDonald House Glasgow

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper 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
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

Report of the Independent Auditors to the Trustees and Members of
Ronald McDonald House Glasgow

Our responsibilities for the audit of the financial statements

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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our wider knowledge and experience;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and FRS 102.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

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 and Members of
Ronald McDonald House Glasgow

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Janice Alexander (Senior Statutory Auditor)
for and on behalf of Robb Ferguson
Chartered Accountants & Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

27 September 2022

Ronald McDonald House Glasgow

Statement of Financial Activities
For The Period 1 April 2021 to 31 December 2021

				Period 1.4.21 to 31.12.21	Year Ended 31.3.21
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	301,975	61,927	363,902	441,549
Charitable activities	5				
Charitable activities		3,619	-	3,619	968
Other trading activities	3	61,685	-	61,685	135,528
Investment income	4	41,549	-	41,549	55,254
Total		<u>408,828</u>	<u>61,927</u>	<u>470,755</u>	<u>633,299</u>
 EXPENDITURE ON					
Raising funds	6	188,449	-	188,449	189,504
Charitable activities	7				
Charitable activities		387,255	61,927	449,182	557,563
Other		-	-	-	13
Total		<u>575,704</u>	<u>61,927</u>	<u>637,631</u>	<u>747,080</u>
Net gains on investments		35,359	-	35,359	32,123
NET INCOME/(EXPENDITURE)		<u>(131,517)</u>	<u>-</u>	<u>(131,517)</u>	<u>(81,658)</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		6,581,704	-	6,581,704	6,663,362
TOTAL FUNDS CARRIED FORWARD		<u><u>6,450,187</u></u>	<u><u>-</u></u>	<u><u>6,450,187</u></u>	<u><u>6,581,704</u></u>

The notes form part of these financial statements

Statement of Financial Position
31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	4,560,899	-	4,560,899	4,631,452
Investments					
Investments	14	553,175	-	553,175	513,828
Investment property	15	790,000	-	790,000	790,000
		<u>5,904,074</u>	<u>-</u>	<u>5,904,074</u>	<u>5,935,280</u>
CURRENT ASSETS					
Debtors	16	9,997	-	9,997	68,236
Cash at bank and in hand		<u>734,052</u>	<u>-</u>	<u>734,052</u>	<u>667,817</u>
		<u>744,049</u>	<u>-</u>	<u>744,049</u>	<u>736,053</u>
CREDITORS					
Amounts falling due within one year	17	(117,779)	-	(117,779)	(89,629)
NET CURRENT ASSETS		<u>626,270</u>	<u>-</u>	<u>626,270</u>	<u>646,424</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,530,344	-	6,530,344	6,581,704
CREDITORS					
Amounts falling due after more than one year	18	(80,157)	-	(80,157)	-
NET ASSETS		<u>6,450,187</u>	<u>-</u>	<u>6,450,187</u>	<u>6,581,704</u>
FUNDS	21				
Unrestricted funds				<u>6,450,187</u>	<u>6,581,704</u>
TOTAL FUNDS				<u>6,450,187</u>	<u>6,581,704</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15 September 2022 and were signed on its behalf by:

C C Grant - Trustee

Ronald McDonald House Glasgow

Statement of Cash Flows
For The Period 1 April 2021 to 31 December 2021

	Notes	Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(63,975)</u>	<u>20,080</u>
Net cash (used in)/provided by operating activities		<u>(63,975)</u>	<u>20,080</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(108,291)
Purchase of fixed asset investments		(88,222)	(274,209)
Sale of tangible fixed assets		-	2,000
Sale of fixed asset investments		84,234	19,284
Rent received		31,632	43,974
Interest received		9,917	11,280
Net cash provided by/(used in) investing activities		<u>37,561</u>	<u>(305,962)</u>
Cash flows from financing activities			
New loans in year		100,000	-
Loan repayments in year		(7,351)	-
Net cash provided by financing activities		<u>92,649</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period			
		66,235	(285,882)
Cash and cash equivalents at the beginning of the reporting period			
		<u>667,817</u>	<u>953,699</u>
Cash and cash equivalents at the end of the reporting period			
		<u>734,052</u>	<u>667,817</u>

The notes form part of these financial statements

Ronald McDonald House Glasgow

Notes to the Statement of Cash Flows
For The Period 1 April 2021 to 31 December 2021

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

	Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(131,517)	(81,658)
Adjustments for:		
Depreciation charges	70,553	87,465
Gain on investments	(35,359)	(32,123)
Interest received	(9,917)	(11,280)
Rent received	(31,632)	(43,974)
Decrease in debtors	58,239	63,124
Increase in creditors	15,658	38,526
Net cash (used in)/provided by operations	<u>(63,975)</u>	<u>20,080</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	<u>667,817</u>	<u>66,235</u>	<u>734,052</u>
	<u>667,817</u>	<u>66,235</u>	<u>734,052</u>
Debt			
Debts falling due within 1 year	-	(12,492)	(12,492)
Debts falling due after 1 year	-	(80,157)	(80,157)
	-	(92,649)	(92,649)
Total	<u>667,817</u>	<u>(26,414)</u>	<u>641,403</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£).

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities reported at the balance sheet date and the amounts reported for revenue and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effects on amounts recognised in the financial statements.

Depreciation

The estimates and assumptions used to determine the depreciation charge requires judgements to be made as regards asset useful lives and residual values. The useful lives and residual values of the company's fixed assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets. Historically, changes in useful lives have not resulted in material changes to the company's amortisation and depreciation charge.

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.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of confirmation when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset being traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Income from grants, whether 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see movement in funds note).

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

1. ACCOUNTING POLICIES - continued

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.

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Support costs relating to charitable activities and raising funds have been apportioned based on the proportion of staff hours based on each activity.

Tangible fixed assets

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

Long leasehold	- Over the term of the lease
Plant and machinery	- 10% on cost
Furniture and fittings	- 33.33% on cost
Office equipment	- 20% on cost

Investment property

Investment properties are included in the accounts at fair value. Any gain or loss arising as a result of changes in fair value are taken to the statement of financial activities. Investment properties are not depreciated.

Taxation

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

Funds

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through terms of an appeal.

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

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Refer to the Trustee's annual report for more information about contributions by volunteers.

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

1. ACCOUNTING POLICIES - continued

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Financial instruments

The charity only has financial assets and financial 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.

2. DONATIONS AND LEGACIES

	Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Donations	283,719	374,952
Trust income	80,183	66,597
	<u>363,902</u>	<u>441,549</u>

3. OTHER TRADING ACTIVITIES

	Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Fundraising events	61,685	130,962
Renewable energy income	-	4,566
	<u>61,685</u>	<u>135,528</u>

4. INVESTMENT INCOME

	Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Rents received	31,632	43,974
Investment income	8,033	6,383
Bank interest received	1,884	4,897
	<u>41,549</u>	<u>55,254</u>

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

5. INCOME FROM CHARITABLE ACTIVITIES

		Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Laundry income	Activity Charitable activities	<u>3,619</u>	<u>968</u>

6. RAISING FUNDS

Fundraising

		Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Staff costs		134,258	155,865
Utilities		572	811
Insurance		1,073	747
Travel, training & subsistence		2,793	1,754
Audit fees		1,300	2,355
Consultancy, legal and professional		2,070	770
		<u>142,066</u>	<u>162,302</u>

Direct costs

		Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Costs of generating funds		<u>43,078</u>	<u>21,444</u>

Investment management costs

		Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Rental		<u>3,305</u>	<u>5,758</u>
Aggregate amounts		<u>188,449</u>	<u>189,504</u>

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Charitable activities	<u>437,079</u>	<u>12,103</u>	<u>449,182</u>

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable activities	<u>2,793</u>	<u>9,310</u>	<u>12,103</u>

Support costs, included in the above, are as follows:

	Period 1.4.21 to 31.12.21 Charitable activities £	Year Ended 31.3.21 Total activities £
Travel, training and subsistence	2,793	423
Wages	1,498	-
Auditors' remuneration	2,600	2,355
Insurance	1,073	-
Consultancy, legal and professional	<u>4,139</u>	<u>14,628</u>
	<u>12,103</u>	<u>17,406</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Auditors' remuneration	5,200	4,710
Depreciation - owned asset	<u>70,553</u>	<u>87,465</u>

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 December 2021 nor for the year ended 31 March 2021.

The charity paid £975 (2021: £1,527) during the period in respect of Trustees Liability Insurance.

Trustees' expenses

	Period 1.4.21 to 31.12.21 £	Year Ended 31.3.21 £
Trustees' expenses	<u>-</u>	<u>13</u>

Trustees were reimbursed £0 of expenses for the period ended 31 December 2021 (Year ended 31 March 2021: £13).

11. STAFF COSTS

	Dec-21 £	Mar-21 £
Salaries and wages	258,426	327,933
Social security costs	18,632	27,521
Employer contributions to defined contribution pension scheme	16,584	24,123
	<u>293,642</u>	<u>379,576</u>
Key management personnel remuneration	<u>55,844</u>	<u>83,279</u>

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

	Period 1.4.21 to 31.12.21	Year Ended 31.3.21
Employees	<u>15</u>	<u>13</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Period 1.4.21 to 31.12.21	Year Ended 31.3.21
£60,001 - £70,000	<u>-</u>	<u>1</u>

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	374,983	66,566	441,549
Charitable activities			
Charitable activities	968	-	968
Other trading activities	135,528	-	135,528
Investment income	55,254	-	55,254
Total	<u>566,733</u>	<u>66,566</u>	<u>633,299</u>
EXPENDITURE ON			
Raising funds	189,504	-	189,504
Charitable activities			
Charitable activities	469,815	87,748	557,563
Other	13	-	13
Total	<u>659,332</u>	<u>87,748</u>	<u>747,080</u>
Net gains on investments	32,123	-	32,123
NET INCOME/(EXPENDITURE)	<u>(60,476)</u>	<u>(21,182)</u>	<u>(81,658)</u>

RECONCILIATION OF FUNDS

Total funds brought forward	6,642,180	21,182	6,663,362
TOTAL FUNDS CARRIED FORWARD	<u>6,581,704</u>	<u>-</u>	<u>6,581,704</u>

13. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Furniture and fittings £	Office equipment £	Totals £
COST					
At 1 April 2021 and 31 December 2021	<u>4,994,716</u>	<u>108,291</u>	<u>292,446</u>	<u>12,090</u>	<u>5,407,543</u>
DEPRECIATION					
At 1 April 2021	469,750	1,805	292,446	12,090	776,091
Charge for year	62,431	8,122	-	-	70,553
At 31 December 2021	<u>532,181</u>	<u>9,927</u>	<u>292,446</u>	<u>12,090</u>	<u>846,644</u>
NET BOOK VALUE					
At 31 December 2021	<u>4,462,535</u>	<u>98,364</u>	<u>-</u>	<u>-</u>	<u>4,560,899</u>
At 31 March 2021	<u>4,524,966</u>	<u>106,486</u>	<u>-</u>	<u>-</u>	<u>4,631,452</u>

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2021	513,828
Additions	88,222
Disposals	(84,234)
Revaluations	35,359
At 31 December 2021	<u>553,175</u>
NET BOOK VALUE	
At 31 December 2021	<u>553,175</u>
At 31 March 2021	<u>513,828</u>

Investment assets outside the UK represent 29.1% (2021: 1.7%) of the portfolio as at the balance sheet date.

Cost or valuation at 31 December 2021 is represented by:

	Listed investments £
Valuation in 2021	<u>553,175</u>

The charity's investments are actively managed by Rathbone Investment Management Limited, as detailed in the Trustees Annual Report.

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2021 and 31 December 2021	<u>790,000</u>
NET BOOK VALUE	
At 31 December 2021	<u>790,000</u>
At 31 March 2021	<u>790,000</u>

A valuation was carried out at 31 March 2016 and this valuation has been incorporated into the financial statements. The directors are satisfied that this valuation remains appropriate.

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2021 £
Other debtors	450	-
Prepayments and accrued income	<u>9,547</u>	<u>68,236</u>
	<u>9,997</u>	<u>68,236</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2021 £
Other loans (see note 19)	12,492	-
Social security and other taxes	7,928	8,557
Accruals and deferred income	<u>97,359</u>	<u>81,072</u>
	<u>117,779</u>	<u>89,629</u>

Deferred income

	2021 £
Balance as at 1 April 2021	5,950
Amount released to income earned from charitable activities	-
Amount deferred in year	<u>-</u>
Balance as at 31 December 2021	<u>5,950</u>

Deferred income comprises deposits received in advance in relation to a fundraising event.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2021 £
Other loans (see note 19)	<u>80,157</u>	<u>-</u>

19. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2021 £
Amounts falling due within one year on demand:		
Other loans	<u>12,492</u>	<u>-</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>12,492</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>37,476</u>	<u>-</u>

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

19. LOANS - continued

	2021	2021
	£	£
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	30,189	-

20. LEASING AGREEMENTS

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

	2021	2021
	£	£
Within one year	<u>-</u>	<u>1,116</u>

21. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	Transfers between funds	At 31.12.21
	£	£	£	£
Unrestricted funds				
General fund	10,252	(60,964)	100,000	49,288
Tangible Fixed Assets	4,905,803	(70,553)	-	4,835,250
Revaluation Reserve	515,649	-	-	515,649
Designated Fund A	250,000	-	(100,000)	150,000
Designated Fund B	900,000	-	-	900,000
	<u>6,581,704</u>	<u>(131,517)</u>	<u>-</u>	<u>6,450,187</u>
TOTAL FUNDS	<u>6,581,704</u>	<u>(131,517)</u>	<u>-</u>	<u>6,450,187</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	408,828	(505,151)	35,359	(60,964)
Tangible Fixed Assets	-	(70,553)	-	(70,553)
	<u>408,828</u>	<u>(575,704)</u>	<u>35,359</u>	<u>(131,517)</u>
Restricted funds				
Restricted funds	61,927	(61,927)	-	-
TOTAL FUNDS	<u>470,755</u>	<u>(637,631)</u>	<u>35,359</u>	<u>(131,517)</u>

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	89,554	26,989	(106,291)	10,252
Tangible Fixed Assets	4,886,977	(87,465)	106,291	4,905,803
Revaluation Reserve	515,649	-	-	515,649
Designated Fund A	250,000	-	-	250,000
Designated Fund B	900,000	-	-	900,000
	<u>6,642,180</u>	<u>(60,476)</u>	<u>-</u>	<u>6,581,704</u>
Restricted funds				
Restricted funds	21,182	(21,182)	-	-
TOTAL FUNDS	<u>6,663,362</u>	<u>(81,658)</u>	<u>-</u>	<u>6,581,704</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	566,733	(571,867)	32,123	26,989
Tangible Fixed Assets	-	(87,465)	-	(87,465)
	<u>566,733</u>	<u>(659,332)</u>	<u>32,123</u>	<u>(60,476)</u>
Restricted funds				
Restricted funds	66,566	(87,748)	-	(21,182)
TOTAL FUNDS	<u>633,299</u>	<u>(747,080)</u>	<u>32,123</u>	<u>(81,658)</u>

The unrestricted funds are available to be spent for any of the purposes of the charity. The trustees have created the following designated funds:

Tangible Fixed Assets represents the amount of charity's funds tied up in fixed assets.

Revaluation Reserve represents the uplift in carrying value upon the reclassification of flats as investment properties, which are held at market value. The flats owned are nearby the former Royal Hospital for Sick Children at Yorkhill, and were previously used to provide additional accommodation.

Designated Fund A represents a Fully Funded Fixtures and Fittings Life Cycle Cost Plan in anticipation of major maintenance outlays.

Designated Fund B represents a Development Plan for House Enlargement for when the house occupancy is full and are unable to provide accommodation for all the families being referred.

Ronald McDonald House Glasgow

Notes to the Financial Statements - continued
For The Period 1 April 2021 to 31 December 2021

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 31 December 2021.

23. LEGAL STATUS

The Charity is a registered Scottish charity and is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.