

# RYE, WINCHELSEA AND DISTRICT MEMORIAL HOSPITAL LIMITED

England & Wales · Charity number 1014232

## Details

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|                |                                                                              |
|----------------|------------------------------------------------------------------------------|
| Other names    | RYE HEALTH & CARE LTD, RYE HEALTH AND CARE LIMITED, RYE MEMORIAL CARE CENTRE |
| Status         | Registered                                                                   |
| Legal form     | Charitable company                                                           |
| Company number | <a href="#">02740665</a>                                                     |
| Registered     | 1992-09-10                                                                   |
| Register       | <a href="#">View on the Charity Commission register</a>                      |

## Contact

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|         |                                                                                                        |
|---------|--------------------------------------------------------------------------------------------------------|
| Address | Rye Winch & District Memor Hospital<br>Peasmarsh Road<br>Rye Foreign<br>Rye<br>East Sussex<br>TN31 7UD |
|---------|--------------------------------------------------------------------------------------------------------|

|       |             |
|-------|-------------|
| Phone | 01797223810 |
|-------|-------------|

|       |                                                                                |
|-------|--------------------------------------------------------------------------------|
| Email | <a href="mailto:francesca@ryehospital.org.uk">francesca@ryehospital.org.uk</a> |
|-------|--------------------------------------------------------------------------------|

|         |                                                                |
|---------|----------------------------------------------------------------|
| Website | <a href="http://www.ryehealth.org.uk">www.ryehealth.org.uk</a> |
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## Activities

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**Objects:** THE RELIEF CARE AND ASSISTANCE OF PEOPLE IRRESPECTIVE OF RACE CREED OR COLOUR WHO SUFFER FROM ANY FORM OF MENTAL OR PHYSICAL SICKNESS OR DISABILITY OR INFIRMITY DUE TO OLD AGE OR WHO ARE CONVALESCENT AND TO PROMOTE THE PRESERVATION AND PROTECTION OF HEALTH FOR THE PUBLIC BENEFIT.

**Activities:** To provide health facilities to the local population

## Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Other Defined Groups, The General Public/mankind

## Geography

- East Sussex
- Kent

## Finances

| Period end | Income     | Expenditure | Assets     | Employees |
|------------|------------|-------------|------------|-----------|
| 2025-03-31 | £2,987,647 | £853,318    | £6,690,666 | 9         |
| 2024-03-31 | £678,595   | £752,888    | £4,554,328 | 8         |
| 2023-03-31 | £681,772   | £604,851    | £4,603,936 | 9         |
| 2022-03-31 | £782,998   | £635,732    | £4,550,201 | 9         |
| 2021-03-31 | £599,586   | £503,271    | £4,368,396 | 6         |

## Trustees

| Name                          | Role | Appointed  |
|-------------------------------|------|------------|
| Dr MAHENDRA KUMAR KONDAGARI   |      | 2019-01-31 |
| Dr ROBERT ANDREW MCNEILLY     |      | 2020-03-02 |
| JACQUELINE SUSAN DUDFIELD     |      | 2014-10-02 |
| Jeremy Stephen Philip Maynard |      | 2025-07-24 |
| Lady Rosemary Clarke          |      | 2022-12-07 |
| Martyn Hywel Phillips         |      | 2022-12-07 |
| Richard John Bisson           |      | 2022-12-07 |
| Sarah Lynette Webb            |      | 2024-03-12 |

**RYE, WINCHELSEA AND DISTRICT MEMORIAL HOSPITAL LIMITED**

England & Wales - Charity number 1014232

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# Accounts

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**REGISTERED COMPANY NUMBER: 02740665 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1014232**

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2025  
FOR  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

GMP Audit Limited, Statutory Auditor  
82 High Street  
Tenterden  
Kent  
TN30 6JG

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

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FOR THE YEAR ENDED 31ST MARCH 2025**

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**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED (REGISTERED NUMBER: 02740665)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2025**

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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 year ended 31st March 2025. 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 significant activities**

The objects of Rye, Winchelsea & District Memorial Hospital Limited (the Charity) are the relief, care and assistance of people, irrespective of race, creed or colour, who suffer from any form of mental or physical sickness or disability or infirmity due to old age or who are convalescent, and to promote the preservation and protection of health for the public benefit.

Activities are predominantly confined to the 10 acre site known as the Memorial Care Centre (the Centre). Within the bounds of the site are five main components:

- The Medical Centre which was developed by Community Care Investment let on a 125 year lease from 6 October 2006 and then sub-let as a GP surgery for a panel of 7,500 patients.

- St Bartholomew's Court, a 55 unit residential complex, originally let as 30 units to Shaftesbury Housing Association on a 125 year lease from 1 January 1994. Designed as an extra care facility, over time it lapsed into pure social housing. The lease was assigned to Sanctuary Housing Association and through a collaborative dialogue a major new development has been completed by them which added 25 new single bed units and completely gutted and refurbished the existing 30 units. 40 of the units are let under a community rental scheme and 15 units have been sold as shared equity. All future occupiers will have an extra care need of up to 20 hours a week under the revised terms of the ground lease from the Charity.

- The Hospital Building. Two thirds of the building was leased to the Primary Care Trust (PCT) for 10 years expiring on 30 May 2020. The lease was assigned to the East Sussex Healthcare Trust (ESHT) on 1 April 2013 as the NHS service provider, upon the demise of the PCT. A Deed of Variation has been executed with the Charity to extend the lease to 30 May 2030 with a mutual option to terminate in 2025. Through a number of negotiated changes since then, ESHT now occupy the whole of the ground floor with offices on the first floor and now pay a service charge of 87%. In addition the Mutual Option to terminate the lease has been removed and ESHT have a fixed term to 2030, all of this being embodied in a revised lease which will be shortly executed. The rent payable for the balance of the term is fixed at £150k per annum.

- The Hub on Rye Hill. The Charity acquired this site adjacent to the hospital in 2016 and obtained Planning Consent to build a 5,500 square foot Community Wellbeing Centre (The Hub). Work to build the site was competitively tendered and won by Jenner at a contract price of just under £2m. Construction was completed in August 2020 but impacted by the COVID restrictions. The Hub is delivering services in line with our charitable objectives, and more services are being developed after a community needs analysis was carried out in 2024. The Hub also has a very popular coffee shop which makes it an important community meeting place.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2025**

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**Objectives and significant activities (continued)**

- The Care Home Site. The Charity has completed the purchase of a 1.5-acre piece of agricultural land adjoining the surgery at the rear of the Centre, with its own access to Rye Hill for the purpose of developing a Care Home. After competitive review Greensleeves was chosen as the preferred developer and operator of the proposed Care Home subject to a £1.06m prepayment for the long leasehold interest. Planning permission was obtained for the development of a 60 bed Care Home. The Charity has delivered the utilities to the site, as part of its commitment, to enable the development of the project. High inflation and the impact of COVID on the care industry delayed the start of development, but steps are underway to improve the chances of it commencing in the near future. An important feature of the Ground Lease granted to Greensleeves is their commitment that 25% of the beds will be community subsidised for the benefit of local residents rather than full open market.

The NHS has had difficulty in recruiting overseas staff to the hospital because of problems in finding affordable living accommodation in Rye. The Charity has leased 3 Forge Mews, capable of housing three nurses, thereby alleviating the staffing pressure.

When planning its activities the Charity keeps in mind the Charity Commission's guidance on public benefit and aims to develop and deliver services to meet the objectives as set out in the Memorandum and Articles of Association.

**The Friends of the Hospital at Rye**

Prior to the development of the current hospital, it was voluntarily supported by The Friends of the Rye Winchelsea and District Memorial Hospital, raising funds and providing voluntary assistance as a registered charity. When the large scale development of the site took place between 1992 and 1994 a separate charity, then called Rye Health and Care Ltd (preceding title of this Charity) was formed as a company limited by guarantee to assume the development risk. The two charities had been mutually supportive ever since but in 2013 they agreed that the time was appropriate to merge. Now named The Friends of the Hospital at Rye (the Friends), it is a Committee of this Charity assuming responsibility for liaison with the staff and fundraising to alleviate the identified needs of the hospital.

A rolling programme of fundraising activities and events is conducted by the Friends within the local community. Events are generated either from the Charity's offices or organised by external volunteers. In addition, the Charity seeks income from regular donations enhanced by the Gilt Aid Scheme and appropriate management of its investment assets.

**Volunteers**

The positions of Chairman of the Friends and the Chairman of the Fund Raising Sub Committee are unsalaried positions.

The Company Secretary and Senior Administrative Officer has been a full time post since May 2020, with 20% of her time dedicated to hospital activities and 80% to Charity activities. All fundraising activities are planned and co-ordinated by and through the aforementioned post, with assistance appropriate to each activity being provided solely by unpaid volunteers.

**ACHIEVEMENTS AND PERFORMANCE**

**Charitable activities**

The Charity continued during the period under review in its principal activity as freeholder of the Memorial Care Centre. The net surplus for the year, after net gains on investments of £2,009 (2024: £24,685) was £2,136,338 (2024: Loss £49,608) after allowing for the depreciation and impairment of the Charity's real property and fittings and fixtures in a sum of £158,309 (2024: £153,904). The gain was due to the receipt of significant legacy income.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2025**

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**Charitable activities (continued)**

The Charity owes a duty to the people of Rye, Winchelsea and the surrounding villages to secure the provision of community hospital services at the Centre. Hitherto these services have been provided in partnership with our local PCT and more recently from ESHT but on terms which require a substantial contribution from the Charity. For example, each year the Charity expends significant funds to carry out improvements for the benefit of the patients.

Government policy is expressed to be supportive of community hospitals, but the reality is that the current economic financial position of many Healthcare Trusts has meant that community hospitals have had their beds closed to achieve economies. The Charity's strategy is to develop a strong working bond with ESHT while retaining significant liquid free reserves to enable it to respond in the unlikely event that they decide to reduce or, even, withdraw their support. With the completion of the lease extension to ESHT, the Trustees took the view that some of its reserves held against this risk could be released to assist in funding capital projects.

**FINANCIAL REVIEW**

**Investment policy and objectives**

The Board's policy is to invest in the estate and facilities to provide the resources necessary to meet our objectives. Within that, we aim to ensure our work is protected in the longer term from the risk of disruption due to lack of funds from regular income.

Once short term funding requirements are met, our remaining financial resources are invested with a long term horizon in mind and with the objective of achieving a moderate total return in excess of the rate of inflation. This aim of preserving the real value of capital is done with close regard to what we consider to be an appropriate risk profile and suitable ethical standards (such as prohibiting investment in companies producing tobacco products).

In early 2024 the Board transferred its invested portfolio to the CCLA Charities Investment Fund. Investing on behalf of a large number of charities, the Fund has an emphasis on equities, but also includes property, bonds and other asset classes.

During the course of this financial year the Charity became aware that it would be the fortunate recipient of some significant legacies. By the end of the year £175,000 of the sum expected had been received, and £150,000 of this had been invested in the CCLA Deposit Fund. At the end of March 2025 the investment in the Charities Investment Fund and the Deposit Fund amounted to £643,421.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2025**

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**FINANCIAL REVIEW**

**Reserves policy**

Our reserves policy, which is reviewed annually, identifies an appropriate range for free reserves (defined as unrestricted funds excluding fixed assets) of between £0.5m and £1.2m. The range allows for risks related to an unforeseen drop in income, working capital requirements, and commitments and long term plans.

The objective is to ensure that we have sufficient resources to weather the various operating and strategic risks we face, but also to allow for the future development of our buildings and facilities, and enhancement of the services we offer.

At the end of the reporting period, the Charity had unrestricted general reserves of £4,889,826 (2024: £4,553,488), of which £4,952,173 (2024: £5,062,968) relates to fixed assets which would have to be disposed of in order to realise the full fund amount. The amount of free reserves which exclude the building fund is a deficit of £62,347 (2024: £509,480). However, the Trustees consider it a true and fair view to utilise the liquid reserves as being free reserves of the charity. This is on the basis that there is a large deferred income balance being released to the Statement of Financial Activities over the term of a lease, but which remains ultimately the income of the charity and is simply a timing difference.

The liquid free reserves of the charity are £860,687, which is in line with the reserves policy. The free reserves include a value of £175,000 which is designated for use by The Friends of RWDH Ltd.

Restricted funds amounted to £1,800,840, the result of a legacy with a specific condition.

**FUTURE PLANS**

**Community Outreach**

The Charity has almost completed its development plans for the Memorial Care Centre and is turning its attention to expanding its healthcare outreach into the community. Public Health services provided by Rother District Council and East Sussex County Council have been greatly restricted due to budget constraints and the impact in the community has been significant.

Charlotte Kneer joined the Charity as CEO at the beginning of this financial year. She has spent much of her first year gaining a greater understanding of the needs of the community and assessing how the Charity can use its energy and resources most effectively. Early steps have included the launch of a cancer café and dementia café to support those experiencing or caring for someone with cancer or dementia. In the first few months of this year a significant new initiative has been a collaboration with Eggtooth, a charity who deliver art psychotherapy to young people experiencing mental ill health and/or who are neurodiverse. A more recent step has been working in collaboration with East Surrey Healthcare Trust and the Rother Primary Care Network to establish a frailty service. In the next financial year the charity will work with many more providers to make health care services more accessible for the local community.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

Rye, Winchelsea & District Memorial Hospital Limited is a company limited by guarantee. The company is governed by its Memorandum and Articles of Association, which set out the objects and powers of the company and its directors. It also provides for the appointment of new directors.

**Recruitment, appointment and training of new trustees**

Trustees are recruited and appointed from members of the local community who wish to assist the Charity. Care is taken to ensure that an appropriate range of skills is represented.

New trustees undergo a short induction programme and are given full formal Induction Pack by the Chair. Training is made available dependent of the needs of the trustee.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2025**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The Board meets quarterly. In addition, it fulfills its responsibilities through a number of committees whose members are drawn from the Board and from appropriate community volunteers with relevant skills. In the case of Fundraising, participation is drawn from the Charity's excellent network of supporters. The committees meet as often as necessary. During the year these committees comprised: Finance & Governance, Property, and Friends & Fundraising, with additional working groups focused on Hub Strategy and Integrated Care.

The day to day administration of the Charity is delegated to the Company Secretary and Senior Administrative Officer, Mrs Francesca Client.

**Wider network**

Other than membership of the Community Hospitals Association, the charity is not a member of a wider network.

**Risk management**

The trustees constantly monitor any risks to which the Charity may be exposed and are confident that procedures have been established to manage these risks. A formal Risk Register has been adopted and is reviewed at each Board Meeting

**Fundraising approach and standards**

The Charity raises funds to support the hospital through a voluntary Fundraising Committee of the Friends, supported by the Company Secretary and Charity Office Manager

The scale of these activities are modest with approximately ten to twelve events a year with a target budget of £15k.

The Charity observes the requirements of the Charities Act 2011 with regard to solicitation. Marketing is done by use of the website, social media, printed fliers and word of mouth to its regular supporters.

The Charity also takes care to observe the requirements of the Data Protection legislation.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

02740665 (England and Wales)

**Registered Charity number**

1014232

**Registered office**

The Memorial Care Centre  
Peasmarsh Road  
Rye Foreign, Rye  
East Sussex  
TN31 7UD

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED (REGISTERED NUMBER: 02740665)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2025**

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**Trustees**

B M Nealon - Chair (retired 3 December 2024)  
R J Bisson - Chair (elected 3 December 2024)  
J S Dudfield - Vice Chair  
Dr M K Kondagari (GP)  
Dr R A McNeilly (retired GP)  
I Potter  
J J Posnette  
B P Baker (resigned 3 December 2024)  
R Clarke  
M H Phillips  
P R Dale  
N J McClure (resigned 6 February 2025)  
S L Webb

**Honorary appointments**

**Patron**

Sir Paul McCartney

**President**

A Phillips

**Vice President**

J M Stevenson

**Honorary member**

A M Oliphant

**Company Secretary**

F J Clent

**Auditors**

GMP Audit Limited, Statutory Auditor  
82 High Street  
Tenterden  
Kent  
TN30 6JG

**Solicitors**

Whitehead Monckton  
3-4 Market Square  
Tenterden  
Kent  
TN30 6BN

**Bankers**

HSBC  
4 Robertson Street  
Hastings  
East Sussex  
TN34 1HW

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Rye, Winchelsea and District Memorial Hospital Limited 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).

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2025**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 18th December 2025 and signed on its behalf by:



R J Bisson - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

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**Opinion**

We have audited the financial statements of Rye, Winchelsea and District Memorial Hospital Limited (the 'charitable company') for the year ended 31st March 2025 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 charitable company's affairs as at 31st March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

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**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
- the charitable company has not kept adequate accounting records; 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.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

**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:

- Discussions with the trustees which included consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reviewing, evaluating and testing systems and controls to assess their effectiveness to prevent and detect irregularities.
- Identifying, reviewing and testing of journal entries.
- Challenging assumptions and judgements made by the trustees in respect of significant accounting estimates.
- Reviewing minutes of Trustee Meetings for known or suspected instances of non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

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**Use of our report**

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of GMP Audit Limited, Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
82 High Street  
Tenterden  
Kent  
TN30 6JG

19th December 2025

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31ST MARCH 2025**

|                                    | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2025<br>Total<br>funds<br>£ | 2024<br>Total<br>funds<br>£ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                            |                          |                             |                             |
| Donations and legacies             | 3     | 525,468                    | 1,800,000                | 2,325,468                   | 60,036                      |
| <b>Charitable activities</b>       |       |                            |                          |                             |                             |
| Premises costs                     | 6     | 514,344                    | -                        | 514,344                     | 488,729                     |
| Hub on the Hill                    |       | 47,924                     | -                        | 47,924                      | 36,600                      |
| Other trading activities           | 4     | 97,348                     | -                        | 97,348                      | 81,597                      |
| Investment income                  | 5     | 2,563                      | -                        | 2,563                       | 11,633                      |
| <b>Total</b>                       |       | <b>1,187,647</b>           | <b>1,800,000</b>         | <b>2,987,647</b>            | <b>678,595</b>              |
| <b>EXPENDITURE ON</b>              |       |                            |                          |                             |                             |
| Raising funds                      | 7     | 37,379                     | -                        | 37,379                      | 43,245                      |
| <b>Charitable activities</b>       |       |                            |                          |                             |                             |
| Premises costs                     | 8     | 645,992                    | -                        | 645,992                     | 515,192                     |
| Grants payable                     |       | 5,300                      | -                        | 5,300                       | 5,742                       |
| Hub on the Hill                    |       | 164,647                    | -                        | 164,647                     | 163,709                     |
| Wellbeing activities               |       | -                          | -                        | -                           | 25,000                      |
| <b>Total</b>                       |       | <b>853,318</b>             | <b>-</b>                 | <b>853,318</b>              | <b>752,888</b>              |
| Net gains on investments           |       | 2,009                      | -                        | 2,009                       | 24,685                      |
| <b>NET INCOME/(EXPENDITURE)</b>    |       | <b>336,338</b>             | <b>1,800,000</b>         | <b>2,136,338</b>            | <b>(49,608)</b>             |
| <b>RECONCILIATION OF FUNDS</b>     |       |                            |                          |                             |                             |
| Total funds brought forward        |       | 4,553,488                  | 840                      | 4,554,328                   | 4,603,936                   |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <b>4,889,826</b>           | <b>1,800,840</b>         | <b>6,690,666</b>            | <b>4,554,328</b>            |

The notes form part of these financial statements

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED (REGISTERED NUMBER: 02740665)**

**BALANCE SHEET  
31ST MARCH 2025**

|                                                  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2025<br>Total<br>funds<br>£ | 2024<br>Total<br>funds<br>£ |
|--------------------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                              |       |                            |                          |                             |                             |
| Tangible assets                                  | 15    | <b>4,952,173</b>           | -                        | <b>4,952,173</b>            | 5,062,968                   |
| <b>Investments</b>                               |       |                            |                          |                             |                             |
| Investments                                      | 16    | <b>643,421</b>             | -                        | <b>643,421</b>              | 494,759                     |
| Investment property                              | 17    | <b>1</b>                   | -                        | <b>1</b>                    | 1                           |
|                                                  |       | <b>5,595,595</b>           | -                        | <b>5,595,595</b>            | 5,557,728                   |
| <b>CURRENT ASSETS</b>                            |       |                            |                          |                             |                             |
| Debtors                                          | 18    | <b>348,630</b>             | <b>1,800,000</b>         | <b>2,148,630</b>            | 95,433                      |
| Cash at bank and in hand                         |       | <b>216,426</b>             | <b>840</b>               | <b>217,266</b>              | 202,238                     |
|                                                  |       | <b>565,056</b>             | <b>1,800,840</b>         | <b>2,365,896</b>            | 297,671                     |
| <b>CREDITORS</b>                                 |       |                            |                          |                             |                             |
| Amounts falling due within one year              | 19    | <b>(79,627)</b>            | -                        | <b>(79,627)</b>             | (99,553)                    |
| <b>NET CURRENT ASSETS</b>                        |       | <b>485,429</b>             | <b>1,800,840</b>         | <b>2,286,269</b>            | 198,118                     |
| <b>TOTAL ASSETS LESS CURRENT<br/>LIABILITIES</b> |       | <b>6,081,024</b>           | <b>1,800,840</b>         | <b>7,881,864</b>            | 5,755,846                   |
| <b>CREDITORS</b>                                 |       |                            |                          |                             |                             |
| Amounts falling due after more than one<br>year  | 20    | <b>(1,191,198)</b>         | -                        | <b>(1,191,198)</b>          | (1,201,518)                 |
| <b>NET ASSETS</b>                                |       | <b>4,889,826</b>           | <b>1,800,840</b>         | <b>6,690,666</b>            | 4,554,328                   |
| <b>FUNDS</b>                                     | 22    |                            |                          |                             |                             |
| Unrestricted funds                               |       |                            |                          | <b>4,889,826</b>            | 4,553,488                   |
| Restricted funds                                 |       |                            |                          | <b>1,800,840</b>            | 840                         |
| <b>TOTAL FUNDS</b>                               |       |                            |                          | <b>6,690,666</b>            | 4,554,328                   |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2025.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED (REGISTERED NUMBER: 02740665)**

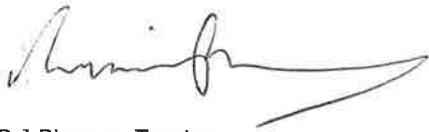
**BALANCE SHEET - continued  
31ST MARCH 2025**

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These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 18th December 2025 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R J Bisson', followed by a long horizontal flourish.

R J Bisson - Trustee

The notes form part of these financial statements

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2025**

|                                                                           | Notes | 2025<br>£        | 2024<br>£ |
|---------------------------------------------------------------------------|-------|------------------|-----------|
| <b>Cash flows from operating activities</b>                               |       |                  |           |
| Cash generated from operations                                            | 1     | <b>206,632</b>   | 35,433    |
| Net cash provided by operating activities                                 |       | <b>206,632</b>   | 35,433    |
| <b>Cash flows from investing activities</b>                               |       |                  |           |
| Purchase of tangible fixed assets                                         |       | <b>(47,514)</b>  | (127,442) |
| Purchase of fixed asset investments                                       |       | <b>(636,572)</b> | (30,905)  |
| Sale of tangible fixed assets                                             |       | -                | 700       |
| Sale of fixed asset investments                                           |       | <b>489,919</b>   | 26,019    |
| Interest received                                                         |       | <b>2,199</b>     | 1,880     |
| Dividends received                                                        |       | <b>364</b>       | 9,753     |
| Net cash used in investing activities                                     |       | <b>(191,604)</b> | (119,995) |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | <b>15,028</b>    | (84,562)  |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | <b>202,238</b>   | 286,800   |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <b>217,266</b>   | 202,238   |

The notes form part of these financial statements

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2025**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM  
OPERATING ACTIVITIES**

|                                                                                                             | <b>2025</b>        | <b>2024</b>     |
|-------------------------------------------------------------------------------------------------------------|--------------------|-----------------|
|                                                                                                             | <b>£</b>           | <b>£</b>        |
| <b>Net income/(expenditure) for the reporting period (as<br/>per the Statement of Financial Activities)</b> | <b>2,136,338</b>   | <b>(49,608)</b> |
| <b>Adjustments for:</b>                                                                                     |                    |                 |
| Depreciation charges                                                                                        | <b>158,309</b>     | 153,904         |
| Gain on investments                                                                                         | <b>(2,009)</b>     | (24,685)        |
| Profit on disposal of fixed assets                                                                          | -                  | (700)           |
| Interest received                                                                                           | <b>(2,199)</b>     | (1,880)         |
| Dividends received                                                                                          | <b>(364)</b>       | (9,753)         |
| Increase in debtors                                                                                         | <b>(2,053,197)</b> | (54,425)        |
| (Decrease)/increase in creditors                                                                            | <b>(30,246)</b>    | 22,580          |
| <b>Net cash provided by operations</b>                                                                      | <b>206,632</b>     | <b>35,433</b>   |

**2. ANALYSIS OF CHANGES IN NET FUNDS**

|                          | <b>At 1/4/24</b> | <b>Cash flow</b> | <b>At 31/3/25</b> |
|--------------------------|------------------|------------------|-------------------|
|                          | <b>£</b>         | <b>£</b>         | <b>£</b>          |
| <b>Net cash</b>          |                  |                  |                   |
| Cash at bank and in hand | <b>202,238</b>   | <b>15,028</b>    | <b>217,266</b>    |
|                          | <b>202,238</b>   | <b>15,028</b>    | <b>217,266</b>    |
| <b>Total</b>             | <b>202,238</b>   | <b>15,028</b>    | <b>217,266</b>    |

The notes form part of these financial statements

**1. STATUTORY INFORMATION**

Rye, Winchelsea and District Memorial Hospital Limited is a private charitable company limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the reference and administrative details in the Report of the Trustees.

**2. 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.

**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.

Fees, contributions and grants comprise of amounts receivable during the year.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

The value of donated items is recognised when the associated raffle or auction has taken place through the receipt of funds from these events.

The valuable time given by volunteers towards the charities objectives is not valued for the purposes of these financial statements.

Investment income is recognised in the financial statements when receivable.

The lease premium income has been deferred over the period of the lease on a straight line basis.

**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.

Costs in furtherance of the charitable objectives are those that relate directly to the upkeep and maintenance of the hospital including salaries.

**2. ACCOUNTING POLICIES - continued**

**Expenditure**

Fundraising expenditure represents the direct costs of fundraising and includes the salaries and other direct costs of fundraising staff. Publicity costs directly related to fundraising are included in the fundraising costs.

Management and administration costs include office costs and other expenditure including salaries.

**Tangible fixed assets**

Fixed assets are recorded at cost or, in cases where assets have been donated, at the valuation at the time of the acquisition.

Depreciation is provided at the following annual rates in order to write off each assets over its useful economic life:

|                                          |                                          |
|------------------------------------------|------------------------------------------|
| Freehold buildings                       | - straight line over 100 years           |
| Freehold buildings - refurbishment costs | - 10% or 20% on cost                     |
| Assets in the course of construction     | - not depreciated until brought into use |
| Furniture and equipment                  | - 10% on cost                            |

No depreciation is provided on freehold land.

**Investments**

Listed investments are included at market value at the year end. Gains and losses on disposal and revaluation of investments are charged or credited to the Statement of Financial Activities.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

**Taxation**

The charity is exempt from corporation 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.

In the trustees opinion, where no restrictions are placed, the incoming resources and resources expended are all derived for the benefit of running the hospital premises. Therefore the trustees choose to classify this income and expenditure as unrestricted.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid at the year end after taking account of any trade discounts due.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**2. ACCOUNTING POLICIES - continued**

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

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

**3. DONATIONS AND LEGACIES**

|              | <b>2025</b>      | <b>2024</b> |
|--------------|------------------|-------------|
|              | <b>£</b>         | <b>£</b>    |
| Donations    | <b>9,097</b>     | 16,086      |
| Gift aid     | <b>740</b>       | 4,614       |
| Legacies     | <b>2,289,159</b> | 15,193      |
| Other income | <b>26,472</b>    | 24,143      |
|              | <b>2,325,468</b> | 60,036      |

**4. OTHER TRADING ACTIVITIES**

|                      | <b>2025</b>   | <b>2024</b> |
|----------------------|---------------|-------------|
|                      | <b>£</b>      | <b>£</b>    |
| Fundraising events   | <b>20,723</b> | 17,568      |
| Hub on the Hill Cafe | <b>76,625</b> | 64,029      |
|                      | <b>97,348</b> | 81,597      |

**5. INVESTMENT INCOME**

|                          | <b>2025</b>  | <b>2024</b> |
|--------------------------|--------------|-------------|
|                          | <b>£</b>     | <b>£</b>    |
| Fixed asset investments  | <b>364</b>   | 9,753       |
| Deposit account interest | <b>2,199</b> | 1,880       |
|                          | <b>2,563</b> | 11,633      |

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**6. INCOME FROM CHARITABLE ACTIVITIES**

|                                    |                 | <b>2025</b>    | <b>2024</b> |
|------------------------------------|-----------------|----------------|-------------|
|                                    | Activity        | <b>£</b>       | <b>£</b>    |
| Running costs recharged to the ESH | Premises costs  | <b>232,053</b> | 212,547     |
| ESHT rent and management charges   | Premises costs  | <b>160,000</b> | 155,843     |
| Other rents receivable             | Premises costs  | <b>119,712</b> | 117,643     |
| Other costs recharged              | Premises costs  | <b>2,579</b>   | 2,696       |
| Licence fees                       | Hub on the Hill | <b>47,924</b>  | 36,600      |
|                                    |                 | <b>562,268</b> | 525,329     |

**7. RAISING FUNDS**

**Raising donations and legacies**

|                         | <b>2025</b>  | <b>2024</b> |
|-------------------------|--------------|-------------|
|                         | <b>£</b>     | <b>£</b>    |
| Other fundraising costs | <b>4,568</b> | 6,163       |

**Other trading activities**

|           | <b>2025</b>   | <b>2024</b> |
|-----------|---------------|-------------|
|           | <b>£</b>      | <b>£</b>    |
| Purchases | <b>28,720</b> | 33,011      |

**Investment management costs**

|                      | <b>2025</b>  | <b>2024</b> |
|----------------------|--------------|-------------|
|                      | <b>£</b>     | <b>£</b>    |
| Portfolio management | <b>4,091</b> | 4,071       |

**Aggregate amounts**

|               |        |
|---------------|--------|
| <b>37,379</b> | 43,245 |
|---------------|--------|

**8. CHARITABLE ACTIVITIES COSTS**

|                 | Direct<br>Costs (see<br>note 9)<br>£ | Support<br>costs (see<br>note 10)<br>£ | Totals<br>£    |
|-----------------|--------------------------------------|----------------------------------------|----------------|
| Premises costs  | <b>513,282</b>                       | <b>132,710</b>                         | <b>645,992</b> |
| Grants payable  | <b>5,300</b>                         | -                                      | <b>5,300</b>   |
| Hub on the Hill | <b>155,110</b>                       | <b>9,537</b>                           | <b>164,647</b> |
|                 | <b>673,692</b>                       | <b>142,247</b>                         | <b>815,939</b> |

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**9. DIRECT COSTS OF CHARITABLE ACTIVITIES**

|                                              | <b>2025</b>           | <b>2024</b>           |
|----------------------------------------------|-----------------------|-----------------------|
|                                              | <b>£</b>              | <b>£</b>              |
| Staff costs                                  | <b>187,985</b>        | 169,835               |
| Other operating leases                       | <b>20,400</b>         | 20,400                |
| Rates and water                              | <b>8,312</b>          | 10,889                |
| Insurance                                    | <b>4,380</b>          | 4,716                 |
| Light and heat                               | <b>7,030</b>          | 9,261                 |
| Telephone                                    | <b>3,098</b>          | 2,794                 |
| Advertising                                  | <b>132</b>            | 179                   |
| Running costs recharged to the ESHT          | <b>152,713</b>        | 149,542               |
| Contribution to Sara Lee Trust running costs | <b>5,300</b>          | 5,300                 |
| Running costs not recharged                  | <b>50,015</b>         | 32,102                |
| Bad debts                                    | <b>226</b>            | (470)                 |
| Maintenance                                  | <b>36,371</b>         | 21,506                |
| Licences                                     | <b>898</b>            | 916                   |
| Cleaning                                     | <b>12,595</b>         | 13,620                |
| Donations                                    | <b>25,928</b>         | 19,908                |
| Legal fees                                   | <b>-</b>              | 25,000                |
| Depreciation                                 | <b>158,309</b>        | 153,904               |
| Loss on sale of assets                       | <b>-</b>              | (700)                 |
|                                              | <b><u>673,692</u></b> | <b><u>638,702</u></b> |

**10. SUPPORT COSTS**

|                 | <b>Management</b>     | <b>Governance</b>    | <b>Totals</b>         |
|-----------------|-----------------------|----------------------|-----------------------|
|                 | <b>£</b>              | <b>£</b>             | <b>£</b>              |
| Premises costs  | <b>117,159</b>        | <b>15,551</b>        | <b>132,710</b>        |
| Hub on the Hill | <b>2,258</b>          | <b>7,279</b>         | <b>9,537</b>          |
|                 | <b><u>119,417</u></b> | <b><u>22,830</u></b> | <b><u>142,247</u></b> |

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

**Management**

|                 | <b>2025</b>           | <b>2024</b>          |
|-----------------|-----------------------|----------------------|
|                 | <b>Total</b>          | <b>Total</b>         |
|                 | <b>activities</b>     | <b>activities</b>    |
|                 | <b>£</b>              | <b>£</b>             |
| Premises costs  | <b>92,527</b>         | <b>32,363</b>        |
| Hub on the Hill | <b>-</b>              | <b>-</b>             |
| Wages           | <b>10,064</b>         | <b>3,262</b>         |
| Social security | <b>2,775</b>          | <b>971</b>           |
| Pensions        | <b>7,051</b>          | <b>2,483</b>         |
| Office costs    | <b>4,742</b>          | <b>11,653</b>        |
| Other expenses  | <b>-</b>              | <b>467</b>           |
| Website costs   | <b>1,284</b>          | <b>-</b>             |
|                 | <b><u>117,159</u></b> | <b><u>51,199</u></b> |

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**10. SUPPORT COSTS - continued  
Governance costs**

|                        | Premises<br>costs<br>£ | Hub on<br>the Hill<br>£ | 2025<br>Total<br>activities<br>£ | 2024<br>Total<br>activities<br>£ |
|------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| Auditors' remuneration | 6,851                  | 6,323                   | 13,174                           | 9,682                            |
| Bank charges           | 297                    | 908                     | 1,205                            | 1,444                            |
| Legal fees             | 8,403                  | 48                      | 8,451                            | 8,616                            |
|                        | <u>15,551</u>          | <u>7,279</u>            | <u>22,830</u>                    | <u>19,742</u>                    |

**11. NET INCOME/(EXPENDITURE)**

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

|                                     | 2025<br>£ | 2024<br>£    |
|-------------------------------------|-----------|--------------|
| Auditors' remuneration              | 13,174    | 9,682        |
| Depreciation - owned assets         | 158,309   | 153,904      |
| Other operating leases              | 20,400    | 20,400       |
| Surplus on disposal of fixed assets | -         | (700)        |
|                                     | <u>-</u>  | <u>(700)</u> |

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st March 2025 nor for the year ended 31st March 2024.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st March 2025 nor for the year ended 31st March 2024.

**13. STAFF COSTS**

|                       | 2025<br>£      | 2024<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 261,927        | 186,073        |
| Social security costs | 24,770         | 15,641         |
| Other pension costs   | 6,654          | 4,717          |
|                       | <u>293,351</u> | <u>206,431</u> |

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

|                          | 2025     | 2024     |
|--------------------------|----------|----------|
| Operation of the charity | 5        | 4        |
| Operation of Hub         | 4        | 4        |
|                          | <u>9</u> | <u>8</u> |

No employees received emoluments in excess of £60,000.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**13. STAFF COSTS - continued**

The key management personnel of the charity comprise the trustees and the Chief Executive Officer. The total employee benefits of the key management personnel were £64,146 (2024: Nil).

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

|                                    | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |                            |                          |                     |
| Donations and legacies             | 60,036                     | -                        | 60,036              |
| <b>Charitable activities</b>       |                            |                          |                     |
| Premises costs                     | 488,729                    | -                        | 488,729             |
| Hub on the Hill                    | 36,600                     | -                        | 36,600              |
| Other trading activities           | 81,597                     | -                        | 81,597              |
| Investment income                  | 11,633                     | -                        | 11,633              |
| <b>Total</b>                       | <b>678,595</b>             | <b>-</b>                 | <b>678,595</b>      |
| <b>EXPENDITURE ON</b>              |                            |                          |                     |
| Raising funds                      | 43,245                     | -                        | 43,245              |
| <b>Charitable activities</b>       |                            |                          |                     |
| Premises costs                     | 515,192                    | -                        | 515,192             |
| Grants payable                     | 5,742                      | -                        | 5,742               |
| Hub on the Hill                    | 163,709                    | -                        | 163,709             |
| Wellbeing activities               | 25,000                     | -                        | 25,000              |
| <b>Total</b>                       | <b>752,888</b>             | <b>-</b>                 | <b>752,888</b>      |
| Net gains on investments           | 24,685                     | -                        | 24,685              |
| <b>NET INCOME/(EXPENDITURE)</b>    | <b>(49,608)</b>            | <b>-</b>                 | <b>(49,608)</b>     |
| <b>RECONCILIATION OF FUNDS</b>     |                            |                          |                     |
| Total funds brought forward        | 4,603,096                  | 840                      | 4,603,936           |
| <b>TOTAL FUNDS CARRIED FORWARD</b> | <b>4,553,488</b>           | <b>840</b>               | <b>4,554,328</b>    |

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**15. TANGIBLE FIXED ASSETS**

|                       | Freehold<br>property<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£      |
|-----------------------|---------------------------|----------------------------------|------------------|
| <b>COST</b>           |                           |                                  |                  |
| At 1st April 2024     | <b>6,308,316</b>          | <b>346,695</b>                   | <b>6,655,011</b> |
| Additions             | <b>-</b>                  | <b>47,514</b>                    | <b>47,514</b>    |
| At 31st March 2025    | <b>6,308,316</b>          | <b>394,209</b>                   | <b>6,702,525</b> |
| <b>DEPRECIATION</b>   |                           |                                  |                  |
| At 1st April 2024     | <b>1,364,774</b>          | <b>227,269</b>                   | <b>1,592,043</b> |
| Charge for year       | <b>133,925</b>            | <b>24,384</b>                    | <b>158,309</b>   |
| At 31st March 2025    | <b>1,498,699</b>          | <b>251,653</b>                   | <b>1,750,352</b> |
| <b>NET BOOK VALUE</b> |                           |                                  |                  |
| At 31st March 2025    | <b>4,809,617</b>          | <b>142,556</b>                   | <b>4,952,173</b> |
| At 31st March 2024    | <b>4,943,542</b>          | <b>119,426</b>                   | <b>5,062,968</b> |

Included in cost or valuation of land and buildings is freehold land of £273,266 (2024 - £273,266) which is not depreciated.

**16. FIXED ASSET INVESTMENTS**

|                       | Listed<br>investments<br>£ | Cash held<br>for<br>investments<br>£ | Totals<br>£      |
|-----------------------|----------------------------|--------------------------------------|------------------|
| <b>MARKET VALUE</b>   |                            |                                      |                  |
| At 1st April 2024     | <b>473,944</b>             | <b>20,815</b>                        | <b>494,759</b>   |
| Additions             | <b>486,554</b>             | <b>150,018</b>                       | <b>636,572</b>   |
| Disposals             | <b>(473,944)</b>           | <b>(20,815)</b>                      | <b>(494,759)</b> |
| Revaluations          | <b>6,849</b>               | <b>-</b>                             | <b>6,849</b>     |
| At 31st March 2025    | <b>493,403</b>             | <b>150,018</b>                       | <b>643,421</b>   |
| <b>NET BOOK VALUE</b> |                            |                                      |                  |
| At 31st March 2025    | <b>493,403</b>             | <b>150,018</b>                       | <b>643,421</b>   |
| At 31st March 2024    | <b>473,944</b>             | <b>20,815</b>                        | <b>494,759</b>   |

There were no investment assets outside the UK.

There were no investment assets outside the UK.

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**17. INVESTMENT PROPERTY**

|                                          | <b>£</b>       |
|------------------------------------------|----------------|
| <b>FAIR VALUE</b>                        |                |
| At 1st April 2024<br>and 31st March 2025 | <b>492,744</b> |
| <b>AMORTISATION</b>                      |                |
| At 1st April 2024<br>and 31st March 2025 | <b>492,743</b> |
| <b>NET BOOK VALUE</b>                    |                |
| At 31st March 2025                       | <b>1</b>       |
| At 31st March 2024                       | <b>1</b>       |

Included in investment property is freehold land valued at £1 (2024 - £1).

The freehold land acquired during the year ended 31 March 2019 was subsequently leased to a Trust for a period of 125 years for the construction and running of a care home, at a premium of £1,060,000. In the Trustees' opinion the land has no open market value and its fair value has therefore been reduced to £1.

**18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | <b>2025</b>      | <b>2024</b> |
|--------------------------------|------------------|-------------|
|                                | <b>£</b>         | <b>£</b>    |
| Trade debtors                  | <b>22,339</b>    | 60,575      |
| Other debtors                  | <b>2,114,159</b> | -           |
| VAT                            | <b>7,934</b>     | 7,671       |
| Prepayments and accrued income | <b>4,198</b>     | 27,187      |
|                                | <b>2,148,630</b> | 95,433      |

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | <b>2025</b>   | <b>2024</b> |
|---------------------------------|---------------|-------------|
|                                 | <b>£</b>      | <b>£</b>    |
| Trade creditors                 | <b>21,583</b> | 40,070      |
| Social security and other taxes | <b>6,117</b>  | 3,651       |
| Other creditors                 | <b>6,791</b>  | 5,968       |
| Accruals and deferred income    | <b>45,136</b> | 49,864      |
|                                 | <b>79,627</b> | 99,553      |

The company acquired the freehold land on 6 October 2006 at a cost of £250,000. A proportion of this has been leased to a GP practice on a 125 year lease at a premium of £230,000.

On 6 November 2018 the company leased a further area of freehold land to a Trust for the construction of a care home at a premium of £1,060,000, for a period of 125 years.

The above premiums have been deferred and are being released to the Statement of Financial Activities on a straight line basis over the term of the lease. The amount of deferred income brought forward and released in the year was £10,320 (2024: £10,320). No further income has been deferred in the current year (2024: £nil).

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

In addition to the above deferred income is also included for rental invoices raised during the year that relate to the following period. The deferred income brought forward and released in the year was £19,075 (2024: £19,075); and income that has been received during the year and deferred was £21,631 (2024: £21,631).

The deferred elements are shown within other creditors both in short term and creditors, amounts falling due after more than one year.

**20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                 | <b>2025</b>             | 2024             |
|-----------------|-------------------------|------------------|
|                 | <b>£</b>                | £                |
| Deferred income | <b><u>1,191,198</u></b> | <u>1,201,518</u> |

**21. LEASING AGREEMENTS**

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

|                 | <b>2025</b>          | 2024          |
|-----------------|----------------------|---------------|
|                 | <b>£</b>             | £             |
| Within one year | <b><u>20,400</u></b> | <u>18,700</u> |

Lease payments recognised as an expense in the year were £20,080 (2024: £20,080).

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

|                            | <b>2025</b>             | 2024             |
|----------------------------|-------------------------|------------------|
|                            | <b>£</b>                | £                |
| Within one year            | <b>266,400</b>          | 266,400          |
| Between one and five years | <b>986,400</b>          | 986,400          |
| In more than five years    | <b><u>7,734,067</u></b> | <u>7,980,667</u> |
|                            | <b><u>8,986,867</u></b> | <u>9,233,467</u> |

Included within the above disclosure is future minimum operating lease commitments relating to three properties.

One of the properties owned by the charity and leased to a third party is done so under a non-cancellable lease of 125 years which is due to expire in 94 years. The total future minimum lease commitment for this property is £8,140,400, of which £7,707,400 is receivable in more than 5 years. The rental income from this lease will increase by the Retail Price Index (RPI) each year and therefore it has not been discounted.

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**22. MOVEMENT IN FUNDS**

|                           | At 1/4/24<br>£   | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/25<br>£ |
|---------------------------|------------------|----------------------------------|------------------------------------|--------------------|
| <b>Unrestricted funds</b> |                  |                                  |                                    |                    |
| General fund              | (509,481)        | 494,647                          | (47,514)                           | (62,348)           |
| Fixed assets              | 5,062,969        | (158,309)                        | 47,514                             | 4,952,174          |
|                           | <b>4,553,488</b> | <b>336,338</b>                   | <b>-</b>                           | <b>4,889,826</b>   |
| <b>Restricted funds</b>   |                  |                                  |                                    |                    |
| Nurses fund               | 779              | -                                | -                                  | 779                |
| District nurses fund      | 61               | -                                | -                                  | 61                 |
| Capital development fund  | -                | 1,800,000                        | -                                  | 1,800,000          |
|                           | <b>840</b>       | <b>1,800,000</b>                 | <b>-</b>                           | <b>1,800,840</b>   |
| <b>TOTAL FUNDS</b>        | <b>4,554,328</b> | <b>2,136,338</b>                 | <b>-</b>                           | <b>6,690,666</b>   |

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

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                          |                           |
| General fund              | 1,187,647                  | (695,009)                  | 2,009                    | 494,647                   |
| Fixed assets              | -                          | (158,309)                  | -                        | (158,309)                 |
|                           | <b>1,187,647</b>           | <b>(853,318)</b>           | <b>2,009</b>             | <b>336,338</b>            |
| <b>Restricted funds</b>   |                            |                            |                          |                           |
| Capital development fund  | 1,800,000                  | -                          | -                        | 1,800,000                 |
| <b>TOTAL FUNDS</b>        | <b>2,987,647</b>           | <b>(853,318)</b>           | <b>2,009</b>             | <b>2,136,338</b>          |

**Comparatives for movement in funds**

|                           | At 1/4/23<br>£   | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/24<br>£ |
|---------------------------|------------------|----------------------------------|------------------------------------|--------------------|
| <b>Unrestricted funds</b> |                  |                                  |                                    |                    |
| General fund              | (486,335)        | 103,596                          | (126,742)                          | (509,481)          |
| Fixed assets              | 5,089,431        | (153,204)                        | 126,742                            | 5,062,969          |
|                           | <b>4,603,096</b> | <b>(49,608)</b>                  | <b>-</b>                           | <b>4,553,488</b>   |
| <b>Restricted funds</b>   |                  |                                  |                                    |                    |
| Nurses fund               | 779              | -                                | -                                  | 779                |
| District nurses fund      | 61               | -                                | -                                  | 61                 |
|                           | <b>840</b>       | <b>-</b>                         | <b>-</b>                           | <b>840</b>         |
| <b>TOTAL FUNDS</b>        | <b>4,603,936</b> | <b>(49,608)</b>                  | <b>-</b>                           | <b>4,554,328</b>   |

**RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2025**

**22. MOVEMENT IN FUNDS - continued**

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

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                          |                           |
| General fund              | 678,595                    | (599,684)                  | 24,685                   | 103,596                   |
| Fixed assets              | -                          | (153,204)                  | -                        | (153,204)                 |
|                           | <u>678,595</u>             | <u>(752,888)</u>           | <u>24,685</u>            | <u>(49,608)</u>           |
| <b>TOTAL FUNDS</b>        | <u>678,595</u>             | <u>(752,888)</u>           | <u>24,685</u>            | <u>(49,608)</u>           |

A current year 12 months and prior year 12 months combined position is as follows:

|                           | At 1/4/23<br>£   | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/25<br>£ |
|---------------------------|------------------|----------------------------------|------------------------------------|--------------------|
| <b>Unrestricted funds</b> |                  |                                  |                                    |                    |
| General fund              | (486,335)        | 598,243                          | (174,256)                          | (62,348)           |
| Fixed assets              | 5,089,431        | (311,513)                        | 174,256                            | 4,952,174          |
|                           | <u>4,603,096</u> | <u>286,730</u>                   | <u>-</u>                           | <u>4,889,826</u>   |
| <b>Restricted funds</b>   |                  |                                  |                                    |                    |
| Nurses fund               | 779              | -                                | -                                  | 779                |
| District nurses fund      | 61               | -                                | -                                  | 61                 |
| Capital development fund  | -                | 1,800,000                        | -                                  | 1,800,000          |
|                           | <u>840</u>       | <u>1,800,000</u>                 | <u>-</u>                           | <u>1,800,840</u>   |
| <b>TOTAL FUNDS</b>        | <u>4,603,936</u> | <u>2,086,730</u>                 | <u>-</u>                           | <u>6,690,666</u>   |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                          |                           |
| General fund              | 1,866,242                  | (1,294,693)                | 26,694                   | 598,243                   |
| Fixed assets              | -                          | (311,513)                  | -                        | (311,513)                 |
|                           | <u>1,866,242</u>           | <u>(1,606,206)</u>         | <u>26,694</u>            | <u>286,730</u>            |
| <b>Restricted funds</b>   |                            |                            |                          |                           |
| Capital development fund  | 1,800,000                  | -                          | -                        | 1,800,000                 |
|                           | <u>1,800,000</u>           | <u>-</u>                   | <u>-</u>                 | <u>1,800,000</u>          |
| <b>TOTAL FUNDS</b>        | <u>3,666,242</u>           | <u>(1,606,206)</u>         | <u>26,694</u>            | <u>2,086,730</u>          |

Fixed assets have been separately designated to show the free reserves position at the balance sheet date.

**22. MOVEMENT IN FUNDS - continued**

Amounts donated to the Nurses by patients, relatives and friends, are held in a separate fund. This is spent on refreshments and an annual party. Similarly there is a fund for the District Nurses.

The Capital Development Fund is a restricted fund which is entirely due to a generous legacy notified to the Charity during the course of the year. This will be used for future appropriate capital development projects

**23. RELATED PARTY DISCLOSURES**

Mr B Nealon, a trustee, is the chairman of Rye & District Community Transport, a charity to which Rye, Winchelsea And District Memorial Hospital donated £10,000 (2024: £10,000) in the year.

Total donations received from trustees in the year without conditions was £210 (2024: £958). Total donations received with conditions was £nil (2024 - £nil).

**24. ULTIMATE CONTROLLING PARTY**

The charity is controlled by the board of trustees.

**25. CONTINGENT ASSETS**

As at 31 March 2025 the charity has been made aware of legacy receipts due to the charity. Where there is uncertainty as to the amount of the legacy and it cannot be reliably estimated, the legacy has been included as a contingent asset.

**RYE, WINCHELSEA AND DISTRICT MEMORIAL HOSPITAL LIMITED**

England & Wales - Charity number 1014232

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# Accounts

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REGISTERED COMPANY NUMBER: 02740665 (England and Wales)  
REGISTERED CHARITY NUMBER: 1014232

REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2024  
FOR  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

GMP Audit Limited, Statutory Auditor  
82 High Street  
Tenterden  
Kent  
TN30 6JG

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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FOR THE YEAR ENDED 31ST MARCH 2024

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REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2024

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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 year ended 31st March 2024. 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 significant activities**

The objects of Rye, Winchelsea & District Memorial Hospital Limited (the Charity) are the relief, care and assistance of people, irrespective of race, creed or colour, who suffer from any form of mental or physical sickness or disability or infirmity due to old age or who are convalescent, and to promote the preservation and protection of health for the public benefit.

Activities are predominantly confined to the 10 acre site known as the Memorial Care Centre (the Centre). Within the bounds of the site are five main components:

- The Medical Centre which was developed by Community Care Investment let on a 125 year lease from 6 October 2006 and then sub-let as a GP surgery for a panel of 7,500 patients.

- St Bartholomew's Court, a 55 unit residential complex, originally let as 30 units to Shaftesbury Housing Association on a 125 year lease from 1 January 1994. Designed as an extra care facility, over time it lapsed into pure social housing. The lease was assigned to Sanctuary Housing Association and through a collaborative dialogue a major new development has been completed by them which added 25 new single bed units and completely gutted and refurbished the existing 30 units. 40 of the units are let under a community rental scheme and 15 units have been sold as shared equity. All future occupiers will have an extra care need of up to 20 hours a week under the revised terms of the ground lease from the Charity.

- The Hospital Building. Two thirds of the building was leased to the Primary Care Trust (PCT) for 10 years expiring on 30 May 2020. The lease was assigned to the East Sussex Healthcare Trust (ESHT) on 1 April 2013 as the NHS service provider, upon the demise of the PCT. A Deed of Variation has been executed with the Charity to extend the lease to 30 May 2030 with a mutual option to terminate in 2025. Through a number of negotiated changes since then, ESHT now occupy the whole of the ground floor with offices on the first floor and now pay a service charge of 87%. In addition the Mutual Option to terminate the lease has been removed and ESHT have a fixed term to 2030, all of this being embodied in a revised lease which will be shortly executed. The rent payable for the balance of the term is fixed at £150k per annum.

- The Hub on Rye Hill. The Charity acquired this site adjacent to the hospital in 2016 and obtained Planning Consent to build a 5,500 square foot Community Wellbeing Centre (The Hub). Work to build the site was competitively tendered and won by Jenner at a contract price of just under £2m. Construction was completed in August 2020 but impacted by the COVID restrictions. Core licences to a number of important therapy providers have been agreed: such as St. Michael's Hospice; Rye and District Day Centre and Sara Lee Trust. A very popular coffee shop makes the Hub an important community meeting place. Plans are being actively developed to broaden its community outreach.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2024

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Objectives and significant activities (continued)

-The Care Home Site. The Charity has completed the purchase of a 1.5 acre piece of agricultural land adjoining the surgery at the rear of the Centre, with its own access to Rye Hill for the purpose of developing a Care Home. After competitive review Greensleeves were selected as the preferred developer and operator of the proposed Care Home subject to a £1.06m prepayment for the long leasehold interest. Planning permission was obtained for the development of a 60 bed Care Home. The Charity has delivered the utilities to the site, as part of its commitment, to enable the development of the project. High inflation and the impact of COVID on the care industry has delayed the start of development. Greensleeves expect to start construction in March 2025. An important feature of the Ground Lease granted to Greensleeves is their commitment that 25% of the beds will be community subsidised for the benefit of local residents rather than full open market. Greensleeves were recently identified by the Which Report as the best Not-For-Profit provider in the Country.

The NHS has had difficulty in recruiting overseas staff to the hospital because of problems in finding affordable living accommodation in Rye. The Charity has leased 3 Forge Mews capable of housing three nurses and to date two have taken occupancy, alleviating the staffing pressure.

When planning its activities the Charity keeps in mind the Charity Commission's guidance on public benefit and aims to develop and deliver services to meet the objectives as set out in the Memorandum and Articles of Association.

The Friends of the Hospital at Rye

Prior to the development of the current hospital, it was voluntarily supported by The Friends of the Rye Winchelsea and District Memorial Hospital, raising funds and providing voluntary assistance as a registered charity. When the large scale development of the site took place between 1992 and 1994 a separate charity, then called Rye Health and Care Ltd (preceding title of this Charity) was formed as a company limited by guarantee to assume the development risk. The two charities had been mutually supportive ever since but in 2013 they agreed that the time was appropriate to merge. Now named The Friends of the Hospital at Rye (the Friends), it is a Committee of this Charity assuming responsibility for liaison with the staff and fundraising to alleviate the identified needs of the hospital.

A rolling programme of fundraising activities and events is carried out by the Friends within the local community. Events are generated either from the Charity's offices or organised by external volunteers. In addition, the Charity seeks income from regular donations enhanced by the Gift Aid Scheme and appropriate management of its investment assets.

Volunteers

The positions of Chairman of the Friends and the Chairman of the Fund Raising Sub Committee are unsalaried positions.

The Company Secretary and Senior Administrative Officer has been a full time post since May 2020, with 40% of her time dedicated to hospital activities and 60% to Charity activities. All fundraising activities are planned and co-ordinated by and through the aforementioned post, with assistance appropriate to each activity being provided solely by unpaid volunteers.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity continued during the period under review in its principal activity as freeholder of the Memorial Care Centre. The net deficit for the year, before unrealised gains on investments of £25,002 (2023: loss £2,752), was £24,606 (2023: £74,169) after allowing for the depreciation and impairment of the Charity's real property and fittings and fixtures in a sum of £153,904 (2023: £89,133).

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2024

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Charitable activities (continued)

The Charity owes a duty to the people of Rye, Winchelsea and the surrounding villages to secure the provision of community hospital services at the Centre. Hitherto these services have been provided in partnership with our local PCT and more recently from ESHT but on terms which require a substantial contribution from the Charity. For example, each year the Charity expends significant funds to carry out improvements for the benefit of the patients. The exterior painting, refurbishment of the reception area and a large proportion of the out-patient upgrade, were all funded by the Charity.

The plant and equipment in the hospital is now 30 years old and in recent years has needed significant expenditure on repairs. External consultants were instructed to carry out a thorough review and advised that most of the equipment was coming to the end of its useful life. The Board decided that it wished the hospital to become the first carbon neutral hospital in the country and commissioned DMA to install photo-voltaic cells on the roofs, Tesla batteries to store the power generated and a state of the art Management System to maximise efficiency. The work was completed to the fixed budget of £680k.

Additionally, although government policy is expressed to be supportive of community hospitals the reality is that the current economic financial position of many Healthcare Trusts has meant that community hospitals have had their beds closed to achieve economies. The Charity's strategy is to develop a strong working bond with ESHT while retaining significant reserves to enable it to respond in the unlikely event that they decide to reduce or, even, withdraw its support. With the completion of the lease extension to ESHT, the Trustees took the view that some of its reserves held against this risk should be released to assist in funding capital projects.

FINANCIAL REVIEW

Investment policy and objectives

The Board's policy is to invest in the estate and facilities to provide the resources necessary to meet our objectives. Within that, we aim to ensure our work is protected in the longer term from the risk of disruption due to lack of funds from regular income.

Once short term funding requirements are met, our remaining financial resources are invested with a long term horizon in mind and with the objective of achieving a moderate total return in excess of the rate of inflation. This aim of preserving the real value of capital is done with close regard to what we consider to be an appropriate risk profile and suitable ethical standards (such as prohibiting investment in companies producing tobacco products).

In early 2024 the Board transferred its invested portfolio to the CCLA Charities Investment Fund. Investing on behalf of a large number of charities, the Fund has an emphasis on equities, but also includes property, bonds and other asset classes. At the end of March 2024 our investment portfolio had a value of £494,759.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2024

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## FINANCIAL REVIEW

### Reserves policy

Our reserves policy, which is reviewed annually, identifies an appropriate range for free reserves (defined as unrestricted funds excluding fixed assets) of between £0.5m and £1.2m. The range allows for risks related to an unforeseen drop in income, working capital requirements, and commitments and long term plans.

The objective is to ensure that we have sufficient resources to weather the various operating and strategic risks we face, but also to allow for the future development of our buildings and facilities, and enhancement of the services we offer.

At the end of the reporting period, the Charity has unrestricted general reserves of £4,553,488 (2023: £4,603,096), of which £5,062,968 (2023: £5,089,431) relates to fixed assets which would have to be disposed of in order to realise the full fund amount. The amount of free reserves which exclude the building fund is a deficit of £509,480 (2023: £486,335). However, the Trustees consider it a true and fair view to utilise the liquid reserves as being free reserves of the charity. This is on the basis that there is a large deferred income balance being released to the Statement of Financial Activities over the term of a lease, but remains ultimately the income of the charity and is simply a timing difference.

The liquid free reserves of the charity are £692,037, which is in line with the reserves policy.

Restricted funds amounted to £840.

## FUTURE PLANS

### Community Outreach

The Charity has almost completed its development plans for the Memorial Care Centre and is turning its attention to expanding its healthcare outreach into the community. Public Health services provided by Rother District Council and East Sussex County Council have been greatly restricted due to budget constraints and the impact in the community has been significant. Through a series of networking events the Charity seeks to bridge this gap in resources.

In addition the Charity has long wished to provide a Minor Injury and Illness clinic in the Out-Patient area. Support for this is increasing and a working group with the GP practice, the ambulance service (SECAMB) and the NHS is trying to develop a pilot scheme.

After 15 years in post, the Chair has notified the Board of his intention to retire at the end of 2024.

The Board has conducted a public recruitment campaign and appointed Charlotte Kneer as CEO to commence her employment on 8 April 2024.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

Rye, Winchelsea & District Memorial Hospital Limited is a company limited by guarantee. The company is governed by its Memorandum and Articles of Association, which set out the objects and powers of the company and its directors. It also provides for the appointment of new directors.

### Recruitment, appointment and training of new trustees

Trustees are recruited and appointed from members of the local community who wish to assist the Charity. Care is taken to ensure that an appropriate range of skills is represented.

New trustees undergo a short induction programme and are given full formal Induction Pack by the Chair. Training is made available dependent of the needs of the trustee.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2024

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Board meets quarterly. In addition, it carries out its responsibilities through a number of committees whose members are drawn from the Board and from appropriated community volunteers with relevant skills. In the case of Fundraising, participation is drawn from the Charity's excellent network of supporters. The committees meet as often as necessary. During the year these committees comprised: Clinical, Hub, Friends & Fundraising, Investment and Finance & Governance. The Board is able to harness the advice of these committees and develop its strategic priorities more particularly described under Plans for Future Periods.

The day to day administration of the Charity is delegated to the Company Secretary and Senior Administrative Officer, Mrs Francesca Clent.

Wider network

Other than membership of the Community Hospitals Association, the charity is not a member of a wider network.

Risk management

The trustees constantly monitor any risks to which the Charity may be exposed and are confident that procedures have been established to manage these risks. A formal Risk Register has been adopted and is reviewed at each Board Meeting

Fundraising approach and standards

The Charity raises funds to support the hospital through a voluntary Fundraising Committee of the Friends, supported by the Company Secretary and Senior Administrative Officer.

The scale of these activities are modest with approximately ten to twelve events a year with a target budget of £15k.

The Charity observes the requirements of the Charities Act 2011 with regard to solicitation. Marketing is done by use of the website, social media, printed fliers and word of mouth to its regular supporters.

The Charity also takes care to observe the requirements of the Data Protection legislation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02740665 (England and Wales)

Registered Charity number

1014232

Registered office

The Memorial Care Centre  
Peasmarsh Road  
Rye Foreign, Rye  
East Sussex  
TN31 7UD

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2024

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Trustees

B M Nealon - Chair  
J S Dudfield - Vice Chair  
J C Kirkham resigned December 2023  
J J Huddle resigned December 2023  
Dr M K Kondagari (GP)  
Dr R A McNeilly (retired GP)  
P J A Riley resigned December 2023  
I Potter  
J J Posnette  
B P Baker  
R Clarke  
M H Phillips  
R J Bisson  
P R Dale elected December 2023  
N J McClure elected December 2023  
S L Webb elected March 2024

Honorary appointments

Patron  
Sir Paul McCartney

President  
A Phillips

Vice President  
J M Stevenson

Honorary member  
A M Oliphant

Company Secretary  
F J Clent

Auditors  
GMP Audit Limited, Statutory Auditor  
82 High Street  
Tenterden  
Kent  
TN30 6JG

Solicitors  
Whitehead Monckton  
3-4 Market Square  
Tenterden  
Kent  
TN30 6BN

Bankers  
HSBC  
4 Robertson Street  
Hastings  
East Sussex  
TN34 1HW

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rye, Winchelsea and District Memorial Hospital Limited 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;
- 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 20th October 2024 and signed on its behalf by:

B M Nealon - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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Opinion

We have audited the financial statements of Rye, Winchelsea and District Memorial Hospital Limited (the 'charitable company') for the year ended 31st March 2024 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 charitable company's affairs as at 31st March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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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
- the charitable company has not kept adequate accounting records; 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

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:

- Discussions with the trustees which included consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reviewing, evaluating and testing systems and controls to assess their effectiveness to prevent and detect irregularities.
- Identifying, reviewing and testing of journal entries.
- Challenging assumptions and judgements made by the trustees in respect of significant accounting estimates.
- Reviewing minutes of Trustee Meetings for known or suspected instances of non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of GMP Audit Limited, Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
82 High Street  
Tenterden  
Kent  
TN30 6JG

6th November 2024

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31ST MARCH 2024

|                                    |       | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2024<br>Total<br>funds<br>£ | 2023<br>Total<br>funds<br>£ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
|                                    | Notes |                            |                          |                             |                             |
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                            |                          |                             |                             |
| Donations and legacies             | 3     | 60,036                     | -                        | 60,036                      | 141,580                     |
| Charitable activities              | 6     |                            |                          |                             |                             |
| Premises costs                     |       | 488,729                    | -                        | 488,729                     | 407,642                     |
| Hub on the Hill                    |       | 36,600                     | -                        | 36,600                      | 37,618                      |
| Other trading activities           | 4     | 81,597                     | -                        | 81,597                      | 83,629                      |
| Investment income                  | 5     | 11,633                     | -                        | 11,633                      | 11,303                      |
| <b>Total</b>                       |       | <b>678,595</b>             | <b>-</b>                 | <b>678,595</b>              | <b>681,772</b>              |
| <b>EXPENDITURE ON</b>              |       |                            |                          |                             |                             |
| Raising funds                      | 7     | 43,245                     | -                        | 43,245                      | 37,880                      |
| Charitable activities              | 8     |                            |                          |                             |                             |
| Premises costs                     |       | 515,192                    | -                        | 515,192                     | 398,097                     |
| Grants payable                     |       | 5,742                      | -                        | 5,742                       | 4,417                       |
| Hub on the Hill                    |       | 163,709                    | -                        | 163,709                     | 164,457                     |
| Wellbeing activities               |       | 25,000                     | -                        | 25,000                      | -                           |
| <b>Total</b>                       |       | <b>752,888</b>             | <b>-</b>                 | <b>752,888</b>              | <b>604,851</b>              |
| Net gains/(losses) on investments  |       | 24,685                     | -                        | 24,685                      | (23,186)                    |
| <b>NET INCOME/(EXPENDITURE)</b>    |       | <b>(49,608)</b>            | <b>-</b>                 | <b>(49,608)</b>             | <b>53,735</b>               |
| <b>RECONCILIATION OF FUNDS</b>     |       |                            |                          |                             |                             |
| Total funds brought forward        |       | 4,603,096                  | 840                      | 4,603,936                   | 4,550,201                   |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <b>4,553,488</b>           | <b>840</b>               | <b>4,554,328</b>            | <b>4,603,936</b>            |

The notes form part of these financial statements

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

BALANCE SHEET  
31ST MARCH 2024

|                                                  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2024<br>Total<br>funds<br>£ | 2023<br>Total<br>funds<br>£ |
|--------------------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                              |       |                            |                          |                             |                             |
| Tangible assets                                  | 15    | 5,062,968                  | -                        | 5,062,968                   | 5,089,430                   |
| Investments                                      | 16    | 494,759                    | -                        | 494,759                     | 465,188                     |
| Investment property                              | 17    | 1                          | -                        | 1                           | 1                           |
|                                                  |       | <u>5,557,728</u>           | <u>-</u>                 | <u>5,557,728</u>            | <u>5,554,619</u>            |
| <b>CURRENT ASSETS</b>                            |       |                            |                          |                             |                             |
| Debtors                                          | 18    | 95,433                     | -                        | 95,433                      | 41,008                      |
| Cash at bank and in hand                         |       | <u>201,398</u>             | <u>840</u>               | <u>202,238</u>              | <u>286,800</u>              |
|                                                  |       | 296,831                    | 840                      | 297,671                     | 327,808                     |
| <b>CREDITORS</b>                                 |       |                            |                          |                             |                             |
| Amounts falling due within one year              | 19    | (99,553)                   | -                        | (99,553)                    | (66,653)                    |
| <b>NET CURRENT ASSETS</b>                        |       | <u>197,278</u>             | <u>840</u>               | <u>198,118</u>              | <u>261,155</u>              |
| <b>TOTAL ASSETS LESS CURRENT<br/>LIABILITIES</b> |       | 5,755,006                  | 840                      | 5,755,846                   | 5,815,774                   |
| <b>CREDITORS</b>                                 |       |                            |                          |                             |                             |
| Amounts falling due after more than one<br>year  | 20    | (1,201,518)                | -                        | (1,201,518)                 | (1,211,838)                 |
| <b>NET ASSETS</b>                                |       | <u>4,553,488</u>           | <u>840</u>               | <u>4,554,328</u>            | <u>4,603,936</u>            |
| <b>FUNDS</b>                                     | 22    |                            |                          |                             |                             |
| Unrestricted funds                               |       |                            |                          | 4,553,488                   | 4,603,096                   |
| Restricted funds                                 |       |                            |                          | <u>840</u>                  | <u>840</u>                  |
| <b>TOTAL FUNDS</b>                               |       |                            |                          | <u>4,554,328</u>            | <u>4,603,936</u>            |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The notes form part of these financial statements

BALANCE SHEET - continued  
31ST MARCH 2024

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The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 22nd October 2024 and were signed on its behalf by:

B M Nealon - Trustee

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2024

|                                                                       | Notes | 2024<br>£ | 2023<br>£ |
|-----------------------------------------------------------------------|-------|-----------|-----------|
| Cash flows from operating activities                                  |       |           |           |
| Cash generated from operations                                        | 1     | 35,433    | 180,557   |
| Net cash provided by operating activities                             |       | 35,433    | 180,557   |
| Cash flows from investing activities                                  |       |           |           |
| Purchase of tangible fixed assets                                     |       | (127,442) | (278,715) |
| Purchase of fixed asset investments                                   |       | (30,905)  | (37,688)  |
| Sale of tangible fixed assets                                         |       | 700       | 1,542     |
| Sale of fixed asset investments                                       |       | 26,019    | 31,699    |
| Interest received                                                     |       | 1,880     | 1,056     |
| Dividends received                                                    |       | 9,753     | 10,247    |
| Net cash used in investing activities                                 |       | (119,995) | (271,859) |
| Change in cash and cash equivalents<br>in the reporting period        |       | (84,562)  | (91,302)  |
| Cash and cash equivalents at the<br>beginning of the reporting period |       | 286,800   | 378,102   |
| Cash and cash equivalents at the<br>end of the reporting period       |       | 202,238   | 286,800   |

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2024

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

|                                                                                                  | 2024<br>£     | 2023<br>£      |
|--------------------------------------------------------------------------------------------------|---------------|----------------|
| Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities) | (49,608)      | 53,735         |
| Adjustments for:                                                                                 |               |                |
| Depreciation charges                                                                             | 153,904       | 89,133         |
| (Gain)/losses on investments                                                                     | (24,685)      | 23,186         |
| Profit on disposal of fixed assets                                                               | (700)         | (1,542)        |
| Interest received                                                                                | (1,880)       | (1,056)        |
| Dividends received                                                                               | (9,753)       | (10,247)       |
| (Increase)/decrease in debtors                                                                   | (54,425)      | 27,350         |
| Increase/(decrease) in creditors                                                                 | 22,580        | (2)            |
| Net cash provided by operations                                                                  | <u>35,433</u> | <u>180,557</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

|                          | At 1/4/23<br>£ | Cash flow<br>£  | At 31/3/24<br>£ |
|--------------------------|----------------|-----------------|-----------------|
| Net cash                 |                |                 |                 |
| Cash at bank and in hand | <u>286,800</u> | <u>(84,562)</u> | <u>202,238</u>  |
|                          | <u>286,800</u> | <u>(84,562)</u> | <u>202,238</u>  |
| Total                    | <u>286,800</u> | <u>(84,562)</u> | <u>202,238</u>  |

1. STATUTORY INFORMATION

Rye, Winchelsea and District Memorial Hospital Limited is a private charitable company limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the reference and administrative details in the Report of the Trustees.

2. 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.

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.

Fees, contributions and grants comprise of amounts receivable during the year.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

The value of donated items is recognised when the associated raffle or auction has taken place through the receipt of funds from these events.

The valuable time given by volunteers towards the charities objectives is not valued for the purposes of these financial statements.

Investment income is recognised in the financial statements when receivable.

The lease premium income has been deferred over the period of the lease on a straight line basis.

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.

Costs in furtherance of the charitable objectives are those that relate directly to the upkeep and maintenance of the hospital including salaries.

Fundraising expenditure represents the direct costs of fundraising and includes the salaries and other direct costs of fundraising staff. Publicity costs directly related to fundraising are included in the fundraising costs.

2. ACCOUNTING POLICIES - continued

Expenditure

Management and administration costs include office costs and other expenditure including salaries.

Tangible fixed assets

Fixed assets are recorded at cost or, in cases where assets have been donated, at the valuation at the time of the acquisition.

Depreciation is provided at the following annual rates in order to write off each assets over its useful economic life:

|                                          |                                          |
|------------------------------------------|------------------------------------------|
| Freehold buildings                       | - straight line over 100 years           |
| Freehold buildings - refurbishment costs | - 10 % or 20 % on cost                   |
| Assets in the course of construction     | - not depreciated until brought into use |
| Furniture and equipment                  | - 10 % on cost                           |

No depreciation is provided on freehold land.

Investments

Listed investments are included at market value at the year end. Gains and losses on disposal and revaluation of investments are charged or credited to the Statement of Financial Activities.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation 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.

In the trustees opinion, where no restrictions are placed, the incoming resources and resources expended are all derived for the benefit of running the hospital premises. Therefore the trustees choose to classify this income and expenditure as unrestricted.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid at the year end after taking account of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

2. ACCOUNTING POLICIES - continued

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

3. DONATIONS AND LEGACIES

|              | 2024<br>£     | 2023<br>£      |
|--------------|---------------|----------------|
| Donations    | 16,086        | 18,702         |
| Gift aid     | 4,614         | 892            |
| Legacies     | 15,193        | 101,460        |
| Other income | 24,143        | 20,526         |
|              | <u>60,036</u> | <u>141,580</u> |

4. OTHER TRADING ACTIVITIES

|                      | 2024<br>£     | 2023<br>£     |
|----------------------|---------------|---------------|
| Fundraising events   | 17,568        | 35,384        |
| Hub on the Hill Cafe | 64,029        | 48,245        |
|                      | <u>81,597</u> | <u>83,629</u> |

5. INVESTMENT INCOME

|                          | 2024<br>£     | 2023<br>£     |
|--------------------------|---------------|---------------|
| Fixed asset investments  | 9,753         | 10,247        |
| Deposit account interest | 1,880         | 769           |
| Taxation interest        | -             | 287           |
|                          | <u>11,633</u> | <u>11,303</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

6. INCOME FROM CHARITABLE ACTIVITIES

|                                     | Activity        | 2024<br>£      | 2023<br>£      |
|-------------------------------------|-----------------|----------------|----------------|
| Running costs recharged to the ESHT | Premises costs  | 212,547        | 183,679        |
| ESHT rent and management charges    | Premises costs  | 155,843        | 135,000        |
| Other rents receivable              | Premises costs  | 117,643        | 87,172         |
| Other costs recharged               | Premises costs  | 2,696          | 1,791          |
| Other rents receivable              | Hub on the Hill | -              | 35             |
| Licence fees                        | Hub on the Hill | 36,600         | 37,583         |
|                                     |                 | <u>525,329</u> | <u>445,260</u> |

7. RAISING FUNDS

Raising donations and legacies

|                         | 2024<br>£    | 2023<br>£    |
|-------------------------|--------------|--------------|
| Other fundraising costs | <u>6,163</u> | <u>9,215</u> |

Other trading activities

|           | 2024<br>£     | 2023<br>£     |
|-----------|---------------|---------------|
| Purchases | <u>33,011</u> | <u>24,919</u> |

Investment management costs

|                      | 2024<br>£    | 2023<br>£    |
|----------------------|--------------|--------------|
| Portfolio management | <u>4,071</u> | <u>3,746</u> |

Aggregate amounts

|  | 2024<br>£     | 2023<br>£     |
|--|---------------|---------------|
|  | <u>43,245</u> | <u>37,880</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

8. CHARITABLE ACTIVITIES COSTS

|                      | Direct<br>Costs (see<br>note 9)<br>£ | Support<br>costs (see<br>note 10)<br>£ | Totals<br>£    |
|----------------------|--------------------------------------|----------------------------------------|----------------|
| Premises costs       | 452,682                              | 62,510                                 | 515,192        |
| Grants payable       | 5,742                                | -                                      | 5,742          |
| Hub on the Hill      | 155,278                              | 8,431                                  | 163,709        |
| Wellbeing activities | 25,000                               | -                                      | 25,000         |
|                      | <u>638,702</u>                       | <u>70,941</u>                          | <u>709,643</u> |

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

|                                              | 2024<br>£      | 2023<br>£      |
|----------------------------------------------|----------------|----------------|
| Staff costs                                  | 169,835        | 158,499        |
| Other operating leases                       | 20,400         | 1,700          |
| Rates and water                              | 10,889         | 8,775          |
| Insurance                                    | 4,716          | 5,661          |
| Light and heat                               | 9,261          | 10,846         |
| Telephone                                    | 2,794          | 3,140          |
| Advertising                                  | 179            | 81             |
| Running costs recharged to the ESHT          | 149,542        | 114,534        |
| Contribution to Sara Lee Trust running costs | 5,300          | 4,417          |
| Running costs not recharged                  | 32,102         | 34,399         |
| Bad debts                                    | (470)          | -              |
| Maintenance                                  | 21,506         | 21,580         |
| Licences                                     | 916            | 408            |
| Cleaning                                     | 13,620         | 17,310         |
| Donations                                    | 19,908         | 23,350         |
| Legal fees                                   | 25,000         | -              |
| Depreciation                                 | 153,904        | 89,133         |
| Loss on sale of assets                       | (700)          | (1,542)        |
|                                              | <u>638,702</u> | <u>492,291</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

10. SUPPORT COSTS

|                 | Management<br>£ | Governance<br>costs<br>£ | Totals<br>£   |
|-----------------|-----------------|--------------------------|---------------|
| Premises costs  | 49,632          | 12,878                   | 62,510        |
| Hub on the Hill | 1,567           | 6,864                    | 8,431         |
|                 | <u>51,199</u>   | <u>19,742</u>            | <u>70,941</u> |

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

Management

|                 | Premises<br>costs<br>£ | Hub on<br>the Hill<br>£ | 2024<br>Total<br>activities<br>£ | 2023<br>Total<br>activities<br>£ |
|-----------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| Wages           | 32,363                 | -                       | 32,363                           | 38,614                           |
| Social security | 3,262                  | -                       | 3,262                            | 3,769                            |
| Pensions        | 971                    | -                       | 971                              | 809                              |
| Office costs    | 2,129                  | 354                     | 2,483                            | 3,660                            |
| Other expenses  | 10,907                 | 746                     | 11,653                           | 9,804                            |
| Website costs   | -                      | 467                     | 467                              | 490                              |
|                 | <u>49,632</u>          | <u>1,567</u>            | <u>51,199</u>                    | <u>57,146</u>                    |

Governance costs

|                        | Premises<br>costs<br>£ | Hub on<br>the Hill<br>£ | 2024<br>Total<br>activities<br>£ | 2023<br>Total<br>activities<br>£ |
|------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| Auditors' remuneration | 3,939                  | 5,743                   | 9,682                            | 11,559                           |
| Bank charges           | 362                    | 1,082                   | 1,444                            | 1,457                            |
| Legal fees             | 8,577                  | 39                      | 8,616                            | 4,518                            |
|                        | <u>12,878</u>          | <u>6,864</u>            | <u>19,742</u>                    | <u>17,534</u>                    |

11. NET INCOME/(EXPENDITURE)

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

|                                     | 2024<br>£    | 2023<br>£      |
|-------------------------------------|--------------|----------------|
| Auditors' remuneration              | 9,682        | 11,559         |
| Depreciation - owned assets         | 153,904      | 89,133         |
| Other operating leases              | 20,400       | 1,700          |
| Surplus on disposal of fixed assets | <u>(700)</u> | <u>(1,542)</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2024 nor for the year ended 31st March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2024 nor for the year ended 31st March 2023.

13. STAFF COSTS

|                       | 2024           | 2023           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 186,073        | 182,649        |
| Social security costs | 15,641         | 14,998         |
| Other pension costs   | 4,717          | 4,044          |
|                       | <u>206,431</u> | <u>201,691</u> |

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

|                          | 2024     | 2023     |
|--------------------------|----------|----------|
|                          |          |          |
| Operation of the charity | 4        | 4        |
| Operation of Hub         | 4        | 5        |
|                          | <u>8</u> | <u>9</u> |

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

|                            | Unrestricted funds | Restricted funds | Total funds    |
|----------------------------|--------------------|------------------|----------------|
|                            | £                  | £                | £              |
| INCOME AND ENDOWMENTS FROM |                    |                  |                |
| Donations and legacies     | 141,079            | 501              | 141,580        |
| Charitable activities      |                    |                  |                |
| Premises costs             | 407,642            | -                | 407,642        |
| Hub on the Hill            | 37,618             | -                | 37,618         |
| Other trading activities   | 83,629             | -                | 83,629         |
| Investment income          | 11,303             | -                | 11,303         |
| Total                      | <u>681,271</u>     | <u>501</u>       | <u>681,772</u> |
| EXPENDITURE ON             |                    |                  |                |
| Raising funds              | 37,880             | -                | 37,880         |
| Charitable activities      |                    |                  |                |
| Premises costs             | 396,815            | 1,282            | 398,097        |
| Grants payable             | 4,417              | -                | 4,417          |
| Hub on the Hill            | 164,457            | -                | 164,457        |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

|                                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|-----------------------------------|----------------------------|--------------------------|---------------------|
| Total                             | 603,569                    | 1,282                    | 604,851             |
| Net gains/(losses) on investments | (23,186)                   | -                        | (23,186)            |
| NET INCOME/(EXPENDITURE)          | 54,516                     | (781)                    | 53,735              |
| RECONCILIATION OF FUNDS           |                            |                          |                     |
| Total funds brought forward       | 4,548,580                  | 1,621                    | 4,550,201           |
| TOTAL FUNDS CARRIED FORWARD       | 4,603,096                  | 840                      | 4,603,936           |

15. TANGIBLE FIXED ASSETS

|                    | Freehold<br>property<br>£ | Assets in<br>the<br>course of<br>construction<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£ |
|--------------------|---------------------------|----------------------------------------------------|----------------------------------|-------------|
| COST               |                           |                                                    |                                  |             |
| At 1st April 2023  | 5,830,367                 | 374,500                                            | 322,702                          | 6,527,569   |
| Additions          | -                         | 103,449                                            | 23,993                           | 127,442     |
| Reclassification   | 477,949                   | (477,949)                                          | -                                | -           |
| At 31st March 2024 | 6,308,316                 | -                                                  | 346,695                          | 6,655,011   |
| DEPRECIATION       |                           |                                                    |                                  |             |
| At 1st April 2023  | 1,230,849                 | -                                                  | 207,290                          | 1,438,139   |
| Charge for year    | 133,925                   | -                                                  | 19,979                           | 153,904     |
| At 31st March 2024 | 1,364,774                 | -                                                  | 227,269                          | 1,592,043   |
| NET BOOK VALUE     |                           |                                                    |                                  |             |
| At 31st March 2024 | 4,943,542                 | -                                                  | 119,426                          | 5,062,968   |
| At 31st March 2023 | 4,599,518                 | 374,500                                            | 115,412                          | 5,089,430   |

Included in cost or valuation of land and buildings is freehold land of £273,266 (2023 - £273,266) which is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

16. FIXED ASSET INVESTMENTS

|                    | Listed<br>investments<br>£ | Cash held<br>for<br>investments<br>£ | Totals<br>£ |
|--------------------|----------------------------|--------------------------------------|-------------|
| MARKET VALUE       |                            |                                      |             |
| At 1st April 2023  | 442,651                    | 22,537                               | 465,188     |
| Additions          | 30,905                     | -                                    | 30,905      |
| Disposals          | (24,615)                   | (1,722)                              | (26,337)    |
| Movement in FV     | 25,003                     | -                                    | 25,003      |
| At 31st March 2024 | 473,944                    | 20,815                               | 494,759     |
| NET BOOK VALUE     |                            |                                      |             |
| At 31st March 2024 | 473,944                    | 20,815                               | 494,759     |
| At 31st March 2023 | 442,651                    | 22,537                               | 465,188     |

There were no investment assets outside the UK.

17. INVESTMENT PROPERTY

|                                          | £       |
|------------------------------------------|---------|
| FAIR VALUE                               |         |
| At 1st April 2023<br>and 31st March 2024 | 492,744 |
| AMORTISATION                             |         |
| At 1st April 2023<br>and 31st March 2024 | 492,743 |
| NET BOOK VALUE                           |         |
| At 31st March 2024                       | 1       |
| At 31st March 2023                       | 1       |

Included in investment property is freehold land valued at £1 (2023 - £1).

The freehold land acquired during the year ended 31 March 2019 was subsequently leased to a Trust for a period of 125 years for the construction and running of a care home, at a premium of £1,060,000. In the Trustees' opinion the land has no open market value and its fair value has therefore been reduced to £1.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                | 2024          | 2023          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Trade debtors                  | 60,575        | 29,884        |
| VAT                            | 7,671         | 8,535         |
| Prepayments and accrued income | 27,187        | 2,589         |
|                                | <u>95,433</u> | <u>41,008</u> |

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 2024          | 2023          |
|---------------------------------|---------------|---------------|
|                                 | £             | £             |
| Trade creditors                 | 40,070        | -             |
| Social security and other taxes | 3,651         | 2,069         |
| Other creditors                 | 5,968         | 54,264        |
| Accruals and deferred income    | 49,864        | 10,320        |
|                                 | <u>99,553</u> | <u>66,653</u> |

The company acquired the freehold land on 6 October 2006 at a cost of £250,000. A proportion of this has been leased to a GP practice on a 125 year lease at a premium of £230,000.

On 6 November 2018 the company leased a further area of freehold land to a Trust for the construction of a care home at a premium of £1,060,000, for a period of 125 years.

The above premiums have been deferred and are being released to the Statement of Financial Activities on a straight line basis over the term of the lease. The amount of deferred income brought forward and released in the year was £10,320 (2023: £10,320). No further income has been deferred in the current year (2023: £nil).

In addition to the above deferred income is also included for rental invoices raised during the year that relate to the following period. The deferred income brought forward and released in the year was £19,075 (2023: £19,075); and income that has been received during the year and deferred was £21,631 (2023: £19,075).

The deferred elements are shown within other creditors both in short term and creditors, amounts falling due after more than one year.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

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

|                 | 2024             | 2023             |
|-----------------|------------------|------------------|
|                 | £                | £                |
| Deferred income | <u>1,201,518</u> | <u>1,211,838</u> |

21. LEASING AGREEMENTS

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

|                 | 2024          | 2023          |
|-----------------|---------------|---------------|
|                 | £             | £             |
| Within one year | <u>18,700</u> | <u>19,120</u> |

Lease payments recognised as an expense in the year were £20,080 (2023: £3,200).

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

|                            | 2024             | 2023             |
|----------------------------|------------------|------------------|
|                            | £                | £                |
| Within one year            | 266,400          | 266,400          |
| Between one and five years | 986,400          | 986,400          |
| In more than five years    | <u>7,980,667</u> | <u>8,227,267</u> |
|                            | <u>9,233,467</u> | <u>9,480,067</u> |

Included within the above disclosure is future minimum operating lease commitments relating to three properties.

One of the properties owned by the charity and leased to a third party is done so under a non-cancellable lease of 125 years which is due to expire in 95 years. The total future minimum lease commitment for this property is £8,227,000, of which £7,794,000 is receivable in more than 5 years. The rental income from this lease will increase by the Retail Price Index (RPI) each year and therefore it has not been discounted.

22. MOVEMENT IN FUNDS

|                      | At 1/4/23        | Net movement in funds | Transfers between funds | At 31/3/24       |
|----------------------|------------------|-----------------------|-------------------------|------------------|
|                      | £                | £                     | £                       | £                |
| Unrestricted funds   |                  |                       |                         |                  |
| General fund         | (486,335)        | 103,596               | (126,742)               | (509,481)        |
| Fixed assets         | <u>5,089,431</u> | <u>(153,204)</u>      | <u>126,742</u>          | <u>5,062,969</u> |
|                      | <u>4,603,096</u> | <u>(49,608)</u>       | -                       | <u>4,553,488</u> |
| Restricted funds     |                  |                       |                         |                  |
| Nurses fund          | 779              | -                     | -                       | 779              |
| District nurses fund | <u>61</u>        | <u>-</u>              | <u>-</u>                | <u>61</u>        |
|                      | <u>840</u>       | <u>-</u>              | <u>-</u>                | <u>840</u>       |
| TOTAL FUNDS          | <u>4,603,936</u> | <u>(49,608)</u>       | <u>-</u>                | <u>4,554,328</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

22. MOVEMENT IN FUNDS - continued

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

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 678,595                    | (599,684)                  | 24,685                   | 103,596                   |
| Fixed assets       | -                          | (153,204)                  | -                        | (153,204)                 |
|                    | <u>678,595</u>             | <u>(752,888)</u>           | <u>24,685</u>            | <u>(49,608)</u>           |
| <b>TOTAL FUNDS</b> | <u><u>678,595</u></u>      | <u><u>(752,888)</u></u>    | <u><u>24,685</u></u>     | <u><u>(49,608)</u></u>    |

Comparatives for movement in funds

|                      | At 1/4/22<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/23<br>£      |
|----------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds   |                         |                                  |                                    |                         |
| General fund         | (351,269)               | 142,107                          | (277,173)                          | (486,335)               |
| Fixed assets         | 4,899,849               | (87,591)                         | 277,173                            | 5,089,431               |
|                      | <u>4,548,580</u>        | <u>54,516</u>                    | <u>-</u>                           | <u>4,603,096</u>        |
| Restricted funds     |                         |                                  |                                    |                         |
| Nurses fund          | 1,560                   | (781)                            | -                                  | 779                     |
| District nurses fund | 61                      | -                                | -                                  | 61                      |
|                      | <u>1,621</u>            | <u>(781)</u>                     | <u>-</u>                           | <u>840</u>              |
| <b>TOTAL FUNDS</b>   | <u><u>4,550,201</u></u> | <u><u>53,735</u></u>             | <u><u>-</u></u>                    | <u><u>4,603,936</u></u> |

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

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 681,271                    | (515,978)                  | (23,186)                 | 142,107                   |
| Fixed assets       | -                          | (87,591)                   | -                        | (87,591)                  |
|                    | <u>681,271</u>             | <u>(603,569)</u>           | <u>(23,186)</u>          | <u>54,516</u>             |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 501                        | (1,282)                    | -                        | (781)                     |
|                    | <u>501</u>                 | <u>(1,282)</u>             | <u>-</u>                 | <u>(781)</u>              |
| <b>TOTAL FUNDS</b> | <u><u>681,772</u></u>      | <u><u>(604,851)</u></u>    | <u><u>(23,186)</u></u>   | <u><u>53,735</u></u>      |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2024

22. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

|                      | At 1/4/22<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/24<br>£      |
|----------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds   |                         |                                  |                                    |                         |
| General fund         | (351,269)               | 245,703                          | (403,915)                          | (509,481)               |
| Fixed assets         | 4,899,849               | (240,795)                        | 403,915                            | 5,062,969               |
|                      | <u>4,548,580</u>        | <u>4,908</u>                     | <u>-</u>                           | <u>4,553,488</u>        |
| Restricted funds     |                         |                                  |                                    |                         |
| Nurses fund          | 1,560                   | (781)                            | -                                  | 779                     |
| District nurses fund | 61                      | -                                | -                                  | 61                      |
|                      | <u>1,621</u>            | <u>(781)</u>                     | <u>-</u>                           | <u>840</u>              |
| <b>TOTAL FUNDS</b>   | <u><u>4,550,201</u></u> | <u><u>4,127</u></u>              | <u><u>-</u></u>                    | <u><u>4,554,328</u></u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 1,359,866                  | (1,115,662)                | 1,499                    | 245,703                   |
| Fixed assets       | -                          | (240,795)                  | -                        | (240,795)                 |
|                    | <u>1,359,866</u>           | <u>(1,356,457)</u>         | <u>1,499</u>             | <u>4,908</u>              |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 501                        | (1,282)                    | -                        | (781)                     |
|                    | <u>501</u>                 | <u>(1,282)</u>             | <u>-</u>                 | <u>(781)</u>              |
| <b>TOTAL FUNDS</b> | <u><u>1,360,367</u></u>    | <u><u>(1,357,739)</u></u>  | <u><u>1,499</u></u>      | <u><u>4,127</u></u>       |

Fixed assets have been separately designated to show the free reserves position at the balance sheet date.

Amounts donated to the Nurses by patients, relatives and friends, are held in a separate fund. This is spent on refreshments and an annual party. Similarly there is a fund for the District Nurses.

23. RELATED PARTY DISCLOSURES

Mr B Nealon, a trustee, is the chairman of Rye & District Community Transport, a charity that Rye, Winchelsea And District Memorial Hospital donated £10,000 (2023: £10,000) to in the year.

Total donations received from trustees in the year without conditions was £958 (2023: £240). Total donations received with conditions was £nil (2023 - £nil).

24. ULTIMATE CONTROLLING PARTY

The charity is controlled by the board of trustees.

25. CONTINGENT ASSETS

As at 31 March 2024 the charity has been made aware of legacy receipts due to the charity of £1,823,329. Where there is uncertainty as to the amount of the legacy and it cannot be reliably estimated, the legacy has been included as a contingent asset.

**RYE, WINCHELSEA AND DISTRICT MEMORIAL HOSPITAL LIMITED**

England & Wales - Charity number 1014232

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# Accounts

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REGISTERED COMPANY NUMBER: 02740665 (England and Wales)  
REGISTERED CHARITY NUMBER: 1014232

REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2023  
FOR  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

GMP Audit Limited, Statutory Auditor  
82 High Street  
Tenterden  
Kent  
TN30 6JG

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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FOR THE YEAR ENDED 31ST MARCH 2023

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REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2023

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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 year ended 31st March 2023. 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 significant activities

The objects of Rye, Winchelsea & District Memorial Hospital Limited (the Charity) are the relief, care and assistance of people, irrespective of race, creed or colour, who suffer from any form of mental or physical sickness or disability or infirmity due to old age or who are convalescent, and to promote the preservation and protection of health for the public benefit.

Activities are predominantly confined to the 10 acre site known as the Memorial Care Centre (the Centre). Within the bounds of the site are five main components:

- The Medical Centre which was developed by Community Care Investment let on a 125 year lease from 6 October 2006 and then sub-let as a GP surgery for a panel of 7,500 patients.

- St Bartholomew's Court, a 55 unit residential complex, originally let as 30 units to Shaftesbury Housing Association on a 125 year lease from 1 January 1994. Designed as an extra care facility, over time it lapsed into pure social housing. The lease was assigned to Sanctuary Housing Association and through a collaborative dialogue a major new development has been completed by them which added 25 new single bed units and completely gutted and refurbished the existing 30 units. 40 of the units are let under a community rental scheme and 15 units have been sold as shared equity. All future occupiers will have an extra care need of up to 20 hours a week under the revised terms of the ground lease from the Charity.

- The Hospital Building. Two thirds of the building was leased to the Primary Care Trust (PCT) for 10 years expiring on 30 May 2020. The lease was assigned to the East Sussex Healthcare Trust (ESHT) on 1 April 2013 as the NHS service provider, upon the demise of the PCT. A Deed of Variation has been executed with the Charity to extend the lease to 30 May 2030 with a mutual option to terminate in 2025. Through a number of negotiated changes since then, ESHT now occupy the whole of the ground floor with offices on the first floor and now pay a service charge of 87%. In addition the Mutual Option to terminate the lease has been removed and ESHT have a fixed term to 2030, all of this being embodied in a revised lease which will be shortly executed. The rent payable for the balance of the term is fixed at £150k per annum.

- The Ambulance Site. The Charity acquired this site adjacent to the hospital in 2016 and obtained Planning Consent to build a 5,500 square foot Community Wellbeing Centre (The Hub). Work to build the site was competitively tendered and won by Jenner at a contract price of just under £2m. Construction was completed in August 2020 but impacted by the COVID restrictions. Core licences to a number of important therapy providers have been agreed: such as St. Michael's Hospice; Rye and District Day Centre and Sara Lee Trust. A very popular coffee shop makes the Hub an important community meeting place. Plans are being actively developed to broaden its community outreach.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2023

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Objectives and significant activities (continued)

-The Care Home Site. The Charity has completed the purchase of a 1.5 acre piece of agricultural land adjoining the surgery at the rear of the Centre, with its own access to Rye Hill for the purpose of developing a Care Home. After competitive review Greensleeves were selected as the preferred developer and operator of the proposed Care Home subject to a £1.06m prepayment for the long leasehold interest. Planning permission was obtained for the development of a 60 bed Care Home. The Charity has delivered the utilities to the site, as part of its commitment, to enable the development of the project. High inflation and the impact of COVID on the care industry has delayed the start of development. Greensleeves expect to start construction in March 2024. An important feature of the Ground Lease granted to Greensleeves is their commitment that 25% of the beds will be community subsidised for the benefit of local residents rather than full open market. Greensleeves were recently identified by the Which Report as the best Not-For-Profit provider in the Country.

The NHS has had difficulty in recruiting overseas staff to the hospital because of problems in finding affordable living accommodation in Rye. The Charity has leased 3 Forge Mews capable of housing three nurses and to date two have taken occupancy, alleviating the staffing pressure.

When planning its activities the Charity keeps in mind the Charity Commission's guidance on public benefit and aims to develop and deliver services to meet the objectives as set out in the Memorandum and Articles of Association.

The Friends of the Hospital at Rye

Prior to the development of the current hospital, it was voluntarily supported by The Friends of the Rye Winchelsea and District Memorial Hospital, raising funds and providing voluntary assistance as a registered charity. When the large scale development of the site took place between 1992 and 1994 a separate charity, then called Rye Health and Care Ltd (preceding title of this Charity) was formed as a company limited by guarantee to assume the development risk. The two charities had been mutually supportive ever since but in 2013 they agreed that the time was appropriate to merge. Now named The Friends of the Hospital at Rye (the Friends), it is a Committee of this Charity assuming responsibility for liaison with the staff and fundraising to alleviate the identified needs of the hospital.

A rolling programme of fundraising activities and events is carried out by the Friends within the local community. Events are generated either from the Charity's offices or organised by external volunteers. In addition, the Charity seeks income from regular donations enhanced by the Gift Aid Scheme and appropriate management of its investment assets.

Volunteers

The positions of Chairman of the Friends and the Chairman of the Fund Raising Sub Committee are unsalaried positions.

The Company Secretary and Senior Administrative Officer has been a full time post since May 2020, with 40% of her time dedicated to hospital activities and 60% to Charity activities. All fundraising activities are planned and co-ordinated by and through the aforementioned post, with assistance appropriate to each activity being provided solely by unpaid volunteers.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity continued during the period under review in its principal activity as freeholder of the Memorial Care Centre. The net surplus for the year before unrealised losses on investments (£2,752) was £74,169 after allowing for the depreciation and impairment of the Charity's real property and fittings and fixtures in a sum of £89,133.

The Charity owes a duty to the people of Rye, Winchelsea and the surrounding villages to secure the provision of community hospital services at the Centre. Hitherto these services have been provided in partnership with our local PCT and more recently from ESHT but on terms which require a substantial contribution from the Charity. For example, each year the Charity expends significant funds to carry out improvements for the benefit of the patients. The exterior painting, refurbishment of the reception area and a large proportion of the out-patient upgrade, were all funded by the Charity.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2023

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Charitable activities (continued)

The plant and equipment in the hospital is now 30 years old and over the last two years has needed significant expenditure on repairs. External consultants were instructed to carry out a thorough review and advised that most of the equipment was coming to the end of its useful life. The Board decided that it wished the hospital to become the first carbon neutral hospital in the country and commissioned DMA to install photo-voltaic cells on the roofs, Tesla batteries to store the power generated and a state of the art Management System to maximise efficiency. An agreed fixed budget of £680k was agreed to be paid for by the Charity and work is underway.

Additionally, although government policy is expressed to be supportive of community hospitals the reality is that the current economic financial position of many Healthcare Trusts has meant that community hospitals have had their beds closed to achieve economies. The Charity's strategy is to develop a strong working bond with ESHT while retaining significant reserves to enable it to respond in the unlikely event that they decide to reduce or, even, withdraw its support. With the completion of the lease extension to ESHT, the Trustees took the view that some of its reserves held against this risk should be released to assist in funding capital projects.

Investment performance

Investment performance has been achieved against the objectives set for this period. Details of return on investments can be found in the Statement of Financial Activities

FINANCIAL REVIEW

Investment policy and objectives

The Board's policy is to invest in the property and facilities to provide the resources necessary for the Charity to meet its objectives. Any surplus resources are placed with a stockbroker to invest appropriately.

The Board has resolved to retain Messrs Brewin Dolphin to advise and handle its growing investment funds, with the condition that no investments are made directly in tobacco companies.

The Board has a formal Investment Policy which is reviewed annually.

Reserves policy

The Charity has unrestricted general reserves of £4,603,096 at the balance sheet date, of which £5,089,431 relates to fixed assets which would have to be disposed of in order to realise the full fund amount. The amount of general reserves excluding the building fund is a deficit of £486,335.

As detailed above it is the Charity's strategy to build reserves (in cash and readily realisable investments) to support the continuation of the hospital should funding be reduced or withdrawn. The Board reviews the extent of these reserves on a regular basis, balancing the risk of ESHT terminating its use of the hospital with the desire to invest surplus funds for the benefit of the community.

The Board has a Reserves Policy which is reviewed annually.

Restricted funds amount to £840.

## FUTURE PLANS

### Community Outreach

The Charity has almost completed its development plans for the Memorial Care Centre and is turning its attention to expanding its healthcare outreach into the community. Public Health services provided by Rother District Council and East Sussex County Council have been greatly restricted due to budget constraints and the impact in the community has been significant. Through a series of networking events the Charity seeks to bridge this gap in resources.

In addition the Charity has long wished to provide a Minor Injury and Illness clinic in the Out-Patient area. Support for this is increasing and a working group with the GP practice, the ambulance service (SECAMB) and the NHS is trying to develop a pilot scheme.

After 13 years in post, the Chairman has notified the Board of his intention to retire at the end of 2024.

The Board are looking for a part time Chief Executive Officer to both assume the functions performed by the Chairman and to bring additional skills which will enhance the Board's Outreach objectives.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

Rye, Winchelsea & District Memorial Hospital Limited is a company limited by guarantee. The company is governed by its Memorandum and Articles of Association, which set out the objects and powers of the company and its directors. It also provides for the appointment of new directors.

### Recruitment and appointment of new trustees

Trustees are recruited and appointed from members of the local community who wish to assist the charity. Care is taken to ensure that an appropriate range of skills is represented

### Organisational structure

The Board meets quarterly. In addition, it carries out its responsibilities through a number of committees whose members are drawn from the Board and from appropriated community volunteers with relevant skills. In the case of Fundraising, participation is drawn from the Charity's excellent network of supporters. The committees meet as often as necessary. During the year these committees comprised: Clinical, Hub, Friends, Fundraising, Investment and Finance & Governance. The Board is able to harness the advice of these committees and develop its strategic priorities more particularly described under Plans for Future Periods.

In May 2020 Mr Martyn Phillips retired from the Board and became the Chief Operating Officer on a part time basis. By September 2022 he had completed his key duties and rejoined the Board in December 2022 where he chairs the Finance & Governance Committee.

The day to day administration of the Charity is delegated to the Company Secretary and Senior Administrative Officer, Mrs Francesca Clent.

### Induction and training of new trustees

New trustees undergo a short induction programme with the charity's administrator and training is made available dependent of the needs of the trustee. Each Board Member is given a full formal Induction Pack.

### Wider network

Other than membership of the Community Hospitals Association, the charity is not a member of a wider network.

### Risk management

The trustees constantly monitor any risks to which the Charity may be exposed and are confident that procedures have been established to manage these risks. A formal Risk Register has been adopted and is reviewed at each Board Meeting

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2023

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Fundraising approach and standards

The Charity raises funds to support the hospital through a voluntary Fundraising Committee of the Friends, supported by the Company Secretary and Senior Administrative Officer.

The scale of these activities are modest with approximately ten to twelve events a year with a target budget of £15k.

The Charity observes the requirements of the Charities Act 1992 with regard to solicitation. Marketing is done by use of the website, social media, printed fliers and word of mouth to its regular supporters.

The Charity also takes care to observe the requirements of the Data Protection legislation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number  
02740665 (England and Wales)

Registered Charity number  
1014232

Registered office  
The Memorial Care Centre  
Peasmarsh Road  
Rye Foreign, Rye  
East Sussex  
TN31 7UD

Trustees

B M Nealon - Chair man  
J S Dudfield - Vice Chair  
J C Kirkham  
J J Huddle

Dr E M Bamji (retired) stepped down from the Board December 2022

Dr M K Kondagari (GP)

Dr R A McNeilly (retired)

P J A Riley

I Potter

J J Posnette

B P Baker

R Clarke elected December 2022

M H Phillips elected December 2022

R J Bisson elected December 2022

Honorary appointments

Patron

Sir Paul McCartney

Presidents

A Phillips

Vice Presidents

J M Stevenson

Rev W Buxton (deceased)

Honorary member

A M Oliphant

Company Secretary

F J Clent

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2023

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REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

GMP Audit Limited, Statutory Auditor  
82 High Street  
Tenterden  
Kent  
TN30 6JG

Solicitors

Whitehead Monckton  
3-4 Market Square  
Tenterden  
Kent  
TN30 6BN

Bankers

HSBC  
4 Robertson Street  
Hastings  
East Sussex  
TN34 1HW

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rye, Winchelsea and District Memorial Hospital Limited 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;
- 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2023

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This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 29th November 2023 and signed on its behalf by:

B M Nealon - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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#### Opinion

We have audited the financial statements of Rye, Winchelsea and District Memorial Hospital Limited (the 'charitable company') for the year ended 31st March 2023 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 charitable company's affairs as at 31st March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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.

#### 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
- the charitable company has not kept adequate accounting records; 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.

#### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

#### 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:

- Discussions with the trustees which included consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reviewing, evaluating and testing systems and controls to assess their effectiveness to prevent and detect irregularities.
- Identifying, reviewing and testing of journal entries.
- Challenging assumptions and judgements made by the trustees in respect of significant accounting estimates.
- Reviewing minutes of Trustee Meetings for known or suspected instances of non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of GMP Audit Limited, Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
82 High Street  
Tenterden  
Kent  
TN30 6JG

1st December 2023

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31ST MARCH 2023

|                                   |       | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2023<br>Total<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|-----------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
|                                   | Notes |                            |                          |                             |                             |
| INCOME AND ENDOWMENTS FROM        |       |                            |                          |                             |                             |
| Donations and legacies            | 3     | 141,079                    | 501                      | 141,580                     | 280,923                     |
| Charitable activities             | 6     |                            |                          |                             |                             |
| Premises costs                    |       | 407,642                    | -                        | 407,642                     | 421,188                     |
| Hub on the Hill                   |       | 37,618                     | -                        | 37,618                      | 16,961                      |
| Other trading activities          | 4     | 83,629                     | -                        | 83,629                      | 50,894                      |
| Investment income                 | 5     | 11,303                     | -                        | 11,303                      | 13,032                      |
| Total                             |       | <u>681,271</u>             | <u>501</u>               | <u>681,772</u>              | <u>782,998</u>              |
| EXPENDITURE ON                    |       |                            |                          |                             |                             |
| Raising funds                     | 7     | 37,880                     | -                        | 37,880                      | 24,392                      |
| Charitable activities             | 8     |                            |                          |                             |                             |
| Premises costs                    |       | 396,815                    | 1,282                    | 398,097                     | 474,177                     |
| Grants payable                    |       | 4,417                      | -                        | 4,417                       | 4,858                       |
| Hub on the Hill                   |       | 164,457                    | -                        | 164,457                     | 131,130                     |
| Other                             |       | -                          | -                        | -                           | 1,175                       |
| Total                             |       | <u>603,569</u>             | <u>1,282</u>             | <u>604,851</u>              | <u>635,732</u>              |
| Net gains/(losses) on investments |       | <u>(23,186)</u>            | <u>-</u>                 | <u>(23,186)</u>             | <u>34,539</u>               |
| NET INCOME/(EXPENDITURE)          |       | 54,516                     | (781)                    | 53,735                      | 181,805                     |
| RECONCILIATION OF FUNDS           |       |                            |                          |                             |                             |
| Total funds brought forward       |       | 4,548,580                  | 1,621                    | 4,550,201                   | 4,368,396                   |
| TOTAL FUNDS CARRIED FORWARD       |       | <u><u>4,603,096</u></u>    | <u><u>840</u></u>        | <u><u>4,603,936</u></u>     | <u><u>4,550,201</u></u>     |

The notes form part of these financial statements

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

BALANCE SHEET  
31ST MARCH 2023

|                                                  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2023<br>Total<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|--------------------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                              |       |                            |                          |                             |                             |
| Tangible assets                                  | 15    | 5,089,430                  | -                        | 5,089,430                   | 4,899,848                   |
| Investments                                      | 16    | 465,188                    | -                        | 465,188                     | 482,385                     |
| Investment property                              | 17    | 1                          | -                        | 1                           | 1                           |
|                                                  |       | <u>5,554,619</u>           | <u>-</u>                 | <u>5,554,619</u>            | <u>5,382,234</u>            |
| <b>CURRENT ASSETS</b>                            |       |                            |                          |                             |                             |
| Debtors                                          | 18    | 41,008                     | -                        | 41,008                      | 68,358                      |
| Cash at bank and in hand                         |       | <u>285,960</u>             | <u>840</u>               | <u>286,800</u>              | <u>378,102</u>              |
|                                                  |       | <u>326,968</u>             | <u>840</u>               | <u>327,808</u>              | <u>446,460</u>              |
| <b>CREDITORS</b>                                 |       |                            |                          |                             |                             |
| Amounts falling due within one year              | 19    | (66,653)                   | -                        | (66,653)                    | (56,335)                    |
| <b>NET CURRENT ASSETS</b>                        |       | <u>260,315</u>             | <u>840</u>               | <u>261,155</u>              | <u>390,125</u>              |
| <b>TOTAL ASSETS LESS CURRENT<br/>LIABILITIES</b> |       | <u>5,814,934</u>           | <u>840</u>               | <u>5,815,774</u>            | <u>5,772,359</u>            |
| <b>CREDITORS</b>                                 |       |                            |                          |                             |                             |
| Amounts falling due after more than one<br>year  | 20    | (1,211,838)                | -                        | (1,211,838)                 | (1,222,158)                 |
| <b>NET ASSETS</b>                                |       | <u>4,603,096</u>           | <u>840</u>               | <u>4,603,936</u>            | <u>4,550,201</u>            |
| <b>FUNDS</b>                                     | 22    |                            |                          |                             |                             |
| Unrestricted funds                               |       |                            |                          | 4,603,096                   | 4,548,580                   |
| Restricted funds                                 |       |                            |                          | <u>840</u>                  | <u>1,621</u>                |
| <b>TOTAL FUNDS</b>                               |       |                            |                          | <u>4,603,936</u>            | <u>4,550,201</u>            |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

BALANCE SHEET - continued  
31ST MARCH 2023

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These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 29th November 2023 and were signed on its behalf by:

B M Nealon - Trustee

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2023

|                                                                    | Notes | 2023<br>£             | 2022<br>£             |
|--------------------------------------------------------------------|-------|-----------------------|-----------------------|
| Cash flows from operating activities                               |       |                       |                       |
| Cash generated from operations                                     | 1     | <u>180,557</u>        | <u>199,410</u>        |
| Net cash provided by operating activities                          |       | <u>180,557</u>        | <u>199,410</u>        |
| Cash flows from investing activities                               |       |                       |                       |
| Purchase of tangible fixed assets                                  |       | (278,715)             | (364,911)             |
| Purchase of fixed asset investments                                |       | (37,688)              | (25,003)              |
| Sale of tangible fixed assets                                      |       | 1,542                 | -                     |
| Sale of fixed asset investments                                    |       | 31,699                | 309,150               |
| Interest received                                                  |       | 1,056                 | 20                    |
| Dividends received                                                 |       | <u>10,247</u>         | <u>13,012</u>         |
| Net cash used in investing activities                              |       | <u>(271,859)</u>      | <u>(67,732)</u>       |
| Change in cash and cash equivalents in the reporting period        |       | <u>(91,302)</u>       | <u>131,678</u>        |
| Cash and cash equivalents at the beginning of the reporting period |       | <u>378,102</u>        | <u>246,424</u>        |
| Cash and cash equivalents at the end of the reporting period       |       | <u><u>286,800</u></u> | <u><u>378,102</u></u> |

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2023

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

|                                                                                    | 2023<br>£      | 2022<br>£      |
|------------------------------------------------------------------------------------|----------------|----------------|
| Net income for the reporting period (as per the Statement of Financial Activities) | 53,735         | 181,805        |
| Adjustments for:                                                                   |                |                |
| Depreciation charges                                                               | 89,133         | 127,716        |
| Losses/(gain) on investments                                                       | 23,186         | (34,539)       |
| Profit on disposal of fixed assets                                                 | (1,542)        | -              |
| Interest received                                                                  | (1,056)        | (20)           |
| Dividends received                                                                 | (10,247)       | (13,012)       |
| Decrease/(increase) in debtors                                                     | 27,350         | (6,287)        |
| Decrease in creditors                                                              | (2)            | (56,253)       |
| Net cash provided by operations                                                    | <u>180,557</u> | <u>199,410</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

|                          | At 1/4/22<br>£ | Cash flow<br>£  | At 31/3/23<br>£ |
|--------------------------|----------------|-----------------|-----------------|
| Net cash                 |                |                 |                 |
| Cash at bank and in hand | <u>378,102</u> | <u>(91,302)</u> | <u>286,800</u>  |
|                          | <u>378,102</u> | <u>(91,302)</u> | <u>286,800</u>  |
| Total                    | <u>378,102</u> | <u>(91,302)</u> | <u>286,800</u>  |

1. STATUTORY INFORMATION

Rye, Winchelsea and District Memorial Hospital Limited is a private charitable company limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the reference and administrative details in the Report of the Trustees.

2. 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.

**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.

Fees, contributions and grants comprise of amounts receivable during the year.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

The value of donated items is recognised when the associated raffle or auction has taken place through the receipt of funds from these events.

The valuable time given by volunteers towards the charities objectives is not valued for the purposes of these financial statements.

Investment income is recognised in the financial statements when receivable.

The lease premium income has been deferred over the period of the lease on a straight line basis.

**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.

Costs in furtherance of the charitable objectives are those that relate directly to the upkeep and maintenance of the hospital including salaries.

Fundraising expenditure represents the direct costs of fundraising and includes the salaries and other direct costs of fundraising staff. Publicity costs directly related to fundraising are included in the fundraising costs.

Management and administration costs include office costs and other expenditure including salaries.

## 2. ACCOUNTING POLICIES - continued

### Tangible fixed assets

Fixed assets are recorded at cost or, in cases where assets have been donated, at the valuation at the time of the acquisition.

Depreciation is provided at the following annual rates in order to write off each assets over its useful economic life:

|                                          |                                          |
|------------------------------------------|------------------------------------------|
| Freehold buildings                       | - straight line over 100 years           |
| Freehold buildings - refurbishment costs | - 10 % or 20 % on cost                   |
| Assets in the course of construction     | - not depreciated until brought into use |
| Furniture and equipment                  | - 10 % on cost                           |

No depreciation is provided on freehold land.

### Investments

Listed investments are included at market value at the year end. Gains and losses on disposal and revaluation of investments are charged or credited to the Statement of Financial Activities.

### Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

### Taxation

The charity is exempt from corporation 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.

In the trustees opinion, where no restrictions are placed, the incoming resources and resources expended are all derived for the benefit of running the hospital premises. Therefore the trustees choose to classify this income and expenditure as unrestricted.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid at the year end after taking account of any trade discounts due.

### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

3. DONATIONS AND LEGACIES

|              | 2023           | 2022           |
|--------------|----------------|----------------|
|              | £              | £              |
| Donations    | 18,702         | 19,762         |
| Gift aid     | 892            | 2,487          |
| Legacies     | 101,460        | 251,000        |
| Other income | 20,526         | 7,674          |
|              | <u>141,580</u> | <u>280,923</u> |

4. OTHER TRADING ACTIVITIES

|                      | 2023          | 2022          |
|----------------------|---------------|---------------|
|                      | £             | £             |
| Fundraising events   | 35,384        | 23,366        |
| Hub on the Hill Cafe | 48,245        | 27,528        |
|                      | <u>83,629</u> | <u>50,894</u> |

5. INVESTMENT INCOME

|                          | 2023          | 2022          |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Fixed asset investments  | 10,247        | 13,012        |
| Deposit account interest | 769           | 20            |
| Taxation interest        | 287           | -             |
|                          | <u>11,303</u> | <u>13,032</u> |

6. INCOME FROM CHARITABLE ACTIVITIES

|                                     | Activity        | 2023           | 2022           |
|-------------------------------------|-----------------|----------------|----------------|
|                                     |                 | £              | £              |
| Running costs recharged to the ESHT | Premises costs  | 183,679        | 203,921        |
| ESHT rent and management charges    | Premises costs  | 135,000        | 135,000        |
| Other rents receivable              | Premises costs  | 87,172         | 81,101         |
| Other costs recharged               | Premises costs  | 1,791          | 1,166          |
| Other rents receivable              | Hub on the Hill | 35             | -              |
| Licence fees                        | Hub on the Hill | 37,583         | 16,961         |
|                                     |                 | <u>445,260</u> | <u>438,149</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2023

7. RAISING FUNDS

Raising donations and legacies

| 2023  | 2022  |
|-------|-------|
| £     | £     |
| 9,215 | 3,413 |

Other fundraising costs

Other trading activities

| 2023   | 2022   |
|--------|--------|
| £      | £      |
| 24,919 | 14,678 |

Purchases

Investment management costs

| 2023  | 2022  |
|-------|-------|
| £     | £     |
| 3,746 | 6,301 |

Portfolio management

Aggregate amounts

| 37,880 | 24,392 |
|--------|--------|
|--------|--------|

8. CHARITABLE ACTIVITIES COSTS

|                 | Direct<br>Costs (see<br>note 9)<br>£ | Support<br>costs (see<br>note 10)<br>£ | Totals<br>£    |
|-----------------|--------------------------------------|----------------------------------------|----------------|
| Premises costs  | 334,393                              | 63,704                                 | 398,097        |
| Grants payable  | 4,417                                | -                                      | 4,417          |
| Hub on the Hill | 153,481                              | 10,976                                 | 164,457        |
|                 | <u>492,291</u>                       | <u>74,680</u>                          | <u>566,971</u> |

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

|                                              | 2023<br>£      | 2022<br>£      |
|----------------------------------------------|----------------|----------------|
| Staff costs                                  | 158,499        | 140,257        |
| Other operating leases                       | 1,700          | -              |
| Rates and water                              | 8,775          | 10,616         |
| Insurance                                    | 5,661          | 3,850          |
| Light and heat                               | 10,846         | 11,326         |
| Telephone                                    | 3,140          | 3,181          |
| Advertising                                  | 81             | 420            |
| Running costs recharged to the ESHT          | 114,534        | 149,917        |
| Contribution to Sara Lee Trust running costs | 4,417          | 4,858          |
| Running costs not recharged                  | 34,399         | 41,778         |
| Maintenance                                  | 21,580         | 10,030         |
| Licences                                     | 408            | 1,500          |
| Cleaning                                     | 17,310         | 15,475         |
| Donations                                    | 23,350         | 11,996         |
| Depreciation                                 | 89,133         | 127,716        |
| Loss on sale of assets                       | (1,542)        | -              |
|                                              | <u>492,291</u> | <u>532,920</u> |

10. SUPPORT COSTS

|                 | Management<br>£ | Governance<br>costs<br>£ | Totals<br>£   |
|-----------------|-----------------|--------------------------|---------------|
| Premises costs  | 54,501          | 9,203                    | 63,704        |
| Hub on the Hill | 2,645           | 8,331                    | 10,976        |
|                 | <u>57,146</u>   | <u>17,534</u>            | <u>74,680</u> |

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

Management

|                         | Premises<br>costs<br>£ | Hub on<br>the Hill<br>£ | 2023<br>Total<br>activities<br>£ | 2022<br>Total<br>activities<br>£ |
|-------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| Wages                   | 38,614                 | -                       | 38,614                           | 44,122                           |
| Social security         | 3,769                  | -                       | 3,769                            | 3,859                            |
| Pensions                | 809                    | -                       | 809                              | 606                              |
| Repairs and maintenance | -                      | -                       | -                                | 1,646                            |
| Office costs            | 2,506                  | 1,154                   | 3,660                            | 2,882                            |
| Other expenses          | 8,803                  | 1,001                   | 9,804                            | 11,549                           |
| Website costs           | -                      | 490                     | 490                              | 464                              |
|                         | <u>54,501</u>          | <u>2,645</u>            | <u>57,146</u>                    | <u>65,128</u>                    |

Governance costs

|                                           | Premises<br>costs<br>£ | Hub on<br>the Hill<br>£ | 2023<br>Total<br>activities<br>£ | 2022<br>Total<br>activities<br>£ |
|-------------------------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| Auditors' remuneration                    | 7,973                  | 3,586                   | 11,559                           | 5,725                            |
| Auditors' remuneration for non audit work | -                      | -                       | -                                | 1,175                            |
| Bank charges                              | 580                    | 877                     | 1,457                            | 661                              |
| Legal fees                                | 650                    | 3,868                   | 4,518                            | 5,731                            |
|                                           | <u>9,203</u>           | <u>8,331</u>            | <u>17,534</u>                    | <u>13,292</u>                    |

11. NET INCOME/(EXPENDITURE)

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

|                                           | 2023<br>£ | 2022<br>£ |
|-------------------------------------------|-----------|-----------|
| Auditors' remuneration                    | 11,559    | 5,725     |
| Auditors' remuneration for non audit work | -         | 1,175     |
| Depreciation - owned assets               | 89,133    | 127,717   |
| Other operating leases                    | 1,700     | -         |
| Surplus on disposal of fixed assets       | (1,542)   | -         |
| Accountancy recharged to tenants          | -         | 5,125     |
|                                           | <u></u>   | <u></u>   |

## 12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2023 nor for the year ended 31st March 2022.

## 13. STAFF COSTS

|                       | 2023<br>£      | 2022<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 182,649        | 172,474        |
| Social security costs | 14,998         | 13,131         |
| Other pension costs   | 4,044          | 3,239          |
|                       | <u>201,691</u> | <u>188,844</u> |

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

|                          | 2023     | 2022     |
|--------------------------|----------|----------|
| Operation of the charity | 4        | 4        |
| Operation of Hub         | 5        | 5        |
|                          | <u>9</u> | <u>9</u> |

No employees received emoluments in excess of £60,000.

## 14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

|                                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|-----------------------------------|----------------------------|--------------------------|---------------------|
| <b>INCOME AND ENDOWMENTS FROM</b> |                            |                          |                     |
| Donations and legacies            | 269,951                    | 10,972                   | 280,923             |
| Charitable activities             |                            |                          |                     |
| Premises costs                    | 421,188                    | -                        | 421,188             |
| Hub on the Hill                   | 16,961                     | -                        | 16,961              |
| Other trading activities          | 50,894                     | -                        | 50,894              |
| Investment income                 | 13,032                     | -                        | 13,032              |
| Total                             | <u>772,026</u>             | <u>10,972</u>            | <u>782,998</u>      |
| <b>EXPENDITURE ON</b>             |                            |                          |                     |
| Raising funds                     | 24,392                     | -                        | 24,392              |
| Charitable activities             |                            |                          |                     |
| Premises costs                    | 472,798                    | 1,379                    | 474,177             |
| Grants payable                    | 4,858                      | -                        | 4,858               |
| Hub on the Hill                   | 131,130                    | -                        | 131,130             |
| Other                             | 1,175                      | -                        | 1,175               |
| Total                             | <u>634,353</u>             | <u>1,379</u>             | <u>635,732</u>      |

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

|                             | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|-----------------------------|----------------------------|--------------------------|---------------------|
| Net gains on investments    | 34,539                     | -                        | 34,539              |
| NET INCOME                  | 172,212                    | 9,593                    | 181,805             |
| Transfers between funds     | 15,593                     | (15,593)                 | -                   |
| Net movement in funds       | 187,805                    | (6,000)                  | 181,805             |
| RECONCILIATION OF FUNDS     |                            |                          |                     |
| Total funds brought forward | 4,360,775                  | 7,621                    | 4,368,396           |
| TOTAL FUNDS CARRIED FORWARD | 4,548,580                  | 1,621                    | 4,550,201           |

15. TANGIBLE FIXED ASSETS

|                    | Freehold<br>property<br>£ | Assets in<br>the<br>course of<br>construction<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£ |
|--------------------|---------------------------|----------------------------------------------------|----------------------------------|-------------|
| COST               |                           |                                                    |                                  |             |
| At 1st April 2022  | 5,830,367                 | 128,159                                            | 290,328                          | 6,248,854   |
| Additions          | -                         | 246,341                                            | 32,374                           | 278,715     |
| At 31st March 2023 | 5,830,367                 | 374,500                                            | 322,702                          | 6,527,569   |
| DEPRECIATION       |                           |                                                    |                                  |             |
| At 1st April 2022  | 1,160,334                 | -                                                  | 188,672                          | 1,349,006   |
| Charge for year    | 70,515                    | -                                                  | 18,618                           | 89,133      |
| At 31st March 2023 | 1,230,849                 | -                                                  | 207,290                          | 1,438,139   |
| NET BOOK VALUE     |                           |                                                    |                                  |             |
| At 31st March 2023 | 4,599,518                 | 374,500                                            | 115,412                          | 5,089,430   |
| At 31st March 2022 | 4,670,033                 | 128,159                                            | 101,656                          | 4,899,848   |

Included in cost or valuation of land and buildings is freehold land of £273,266 (2022 - £273,266) which is not depreciated.

16. FIXED ASSET INVESTMENTS

|                    | Listed<br>investments<br>£ | Cash held<br>for<br>investments<br>£ | Totals<br>£ |
|--------------------|----------------------------|--------------------------------------|-------------|
| MARKET VALUE       |                            |                                      |             |
| At 1st April 2022  | 474,238                    | 8,147                                | 482,385     |
| Additions          | 23,298                     | 14,390                               | 37,688      |
| Disposals          | (34,451)                   | -                                    | (34,451)    |
| Revaluations       | (20,434)                   | -                                    | (20,434)    |
| At 31st March 2023 | 442,651                    | 22,537                               | 465,188     |
| NET BOOK VALUE     |                            |                                      |             |
| At 31st March 2023 | 442,651                    | 22,537                               | 465,188     |
| At 31st March 2022 | 474,238                    | 8,147                                | 482,385     |

There were no investment assets outside the UK.

Cost or valuation at 31st March 2023 is represented by:

|      | Listed<br>investments<br>£ | Cash held<br>for<br>investments<br>£ | Totals<br>£ |
|------|----------------------------|--------------------------------------|-------------|
| Cost | 442,651                    | 22,537                               | 465,188     |

17. INVESTMENT PROPERTY

|                                          | £       |
|------------------------------------------|---------|
| FAIR VALUE                               |         |
| At 1st April 2022<br>and 31st March 2023 | 492,744 |
| AMORTISATION                             |         |
| At 1st April 2022<br>and 31st March 2023 | 492,743 |
| NET BOOK VALUE                           |         |
| At 31st March 2023                       | 1       |
| At 31st March 2022                       | 1       |

Included in investment property is freehold land valued at £1 (2022 - £1).

The freehold land acquired during the year ended 31 March 2019 was subsequently leased to a Trust for a period of 125 years for the construction and running of a care home, at a premium of £1,060,000. In the Trustees' opinion the land has no open market value and its fair value has therefore been reduced to £1.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2023

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                | 2023          | 2022          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Trade debtors                  | 29,884        | 48,343        |
| VAT                            | 8,535         | 16,702        |
| Prepayments and accrued income | 2,589         | 3,313         |
|                                | <u>41,008</u> | <u>68,358</u> |

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 2023          | 2022          |
|---------------------------------|---------------|---------------|
|                                 | £             | £             |
| Social security and other taxes | 2,069         | 2,647         |
| Other creditors                 | 54,264        | 43,368        |
| Deferred income                 | 10,320        | 10,320        |
|                                 | <u>66,653</u> | <u>56,335</u> |

The company acquired the freehold land on 6 October 2006 at a cost of £250,000. A proportion of this has been leased to a GP practice on a 125 year lease at a premium of £230,000.

On 6 November 2018 the company leased a further area of freehold land to a Trust for the construction of a care home at a premium of £1,060,000, for a period of 125 years.

The above premiums have been deferred and are being released to the Statement of Financial Activities on a straight line basis over the term of the lease. The deferred elements are shown within other creditors both in short term and creditors, amounts falling due after more than one year.

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

|                 | 2023             | 2022             |
|-----------------|------------------|------------------|
|                 | £                | £                |
| Deferred income | <u>1,211,838</u> | <u>1,222,158</u> |

21. LEASING AGREEMENTS

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

|                 | 2023          | 2022         |
|-----------------|---------------|--------------|
|                 | £             | £            |
| Within one year | <u>19,120</u> | <u>1,464</u> |

Lease payments recognised as an expense in the year were £3,200 (2022: £1,500)

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2023

22. MOVEMENT IN FUNDS

|                      | At 1/4/22<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/23<br>£      |
|----------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds   |                         |                                  |                                    |                         |
| General fund         | (351,269)               | 142,107                          | (277,173)                          | (486,335)               |
| Fixed assets         | 4,899,849               | (87,591)                         | 277,173                            | 5,089,431               |
|                      | <u>4,548,580</u>        | <u>54,516</u>                    | <u>-</u>                           | <u>4,603,096</u>        |
| Restricted funds     |                         |                                  |                                    |                         |
| Nurses fund          | 1,560                   | (781)                            | -                                  | 779                     |
| District nurses fund | 61                      | -                                | -                                  | 61                      |
|                      | <u>1,621</u>            | <u>(781)</u>                     | <u>-</u>                           | <u>840</u>              |
| <b>TOTAL FUNDS</b>   | <u><u>4,550,201</u></u> | <u><u>53,735</u></u>             | <u><u>-</u></u>                    | <u><u>4,603,936</u></u> |

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

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 681,271                    | (515,978)                  | (23,186)                 | 142,107                   |
| Fixed assets       | -                          | (87,591)                   | -                        | (87,591)                  |
|                    | <u>681,271</u>             | <u>(603,569)</u>           | <u>(23,186)</u>          | <u>54,516</u>             |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 501                        | (1,282)                    | -                        | (781)                     |
|                    | <u>501</u>                 | <u>(1,282)</u>             | <u>-</u>                 | <u>(781)</u>              |
| <b>TOTAL FUNDS</b> | <u><u>681,772</u></u>      | <u><u>(604,851)</u></u>    | <u><u>(23,186)</u></u>   | <u><u>53,735</u></u>      |

Comparatives for movement in funds

|                      | At 1/4/21<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/22<br>£      |
|----------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds   |                         |                                  |                                    |                         |
| General fund         | (301,879)               | 299,929                          | (349,319)                          | (351,269)               |
| Fixed assets         | 4,662,654               | (127,717)                        | 364,912                            | 4,899,849               |
|                      | <u>4,360,775</u>        | <u>172,212</u>                   | <u>15,593</u>                      | <u>4,548,580</u>        |
| Restricted funds     |                         |                                  |                                    |                         |
| Nurses fund          | 2,560                   | (1,000)                          | -                                  | 1,560                   |
| District nurses fund | 61                      | -                                | -                                  | 61                      |
| Equipment fund       | 5,000                   | 10,593                           | (15,593)                           | -                       |
|                      | <u>7,621</u>            | <u>9,593</u>                     | <u>(15,593)</u>                    | <u>1,621</u>            |
| <b>TOTAL FUNDS</b>   | <u><u>4,368,396</u></u> | <u><u>181,805</u></u>            | <u><u>-</u></u>                    | <u><u>4,550,201</u></u> |

22. MOVEMENT IN FUNDS - continued

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

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 772,027                    | (506,637)                  | 34,539                   | 299,929                   |
| Fixed assets       | (1)                        | (127,716)                  | -                        | (127,717)                 |
|                    | <u>772,026</u>             | <u>(634,353)</u>           | <u>34,539</u>            | <u>172,212</u>            |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 379                        | (1,379)                    | -                        | (1,000)                   |
| Equipment fund     | 10,593                     | -                          | -                        | 10,593                    |
|                    | <u>10,972</u>              | <u>(1,379)</u>             | <u>-</u>                 | <u>9,593</u>              |
| <b>TOTAL FUNDS</b> | <u><u>782,998</u></u>      | <u><u>(635,732)</u></u>    | <u><u>34,539</u></u>     | <u><u>181,805</u></u>     |

A current year 12 months and prior year 12 months combined position is as follows:

|                      | At 1/4/21<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/23<br>£      |
|----------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds   |                         |                                  |                                    |                         |
| General fund         | (301,879)               | 442,036                          | (626,492)                          | (486,335)               |
| Fixed assets         | 4,662,654               | (215,308)                        | 642,085                            | 5,089,431               |
|                      | <u>4,360,775</u>        | <u>226,728</u>                   | <u>15,593</u>                      | <u>4,603,096</u>        |
| Restricted funds     |                         |                                  |                                    |                         |
| Nurses fund          | 2,560                   | (1,781)                          | -                                  | 779                     |
| District nurses fund | 61                      | -                                | -                                  | 61                      |
| Equipment fund       | 5,000                   | 10,593                           | (15,593)                           | -                       |
|                      | <u>7,621</u>            | <u>8,812</u>                     | <u>(15,593)</u>                    | <u>840</u>              |
| <b>TOTAL FUNDS</b>   | <u><u>4,368,396</u></u> | <u><u>235,540</u></u>            | <u><u>-</u></u>                    | <u><u>4,603,936</u></u> |

## 22. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 1,453,298                  | (1,022,615)                | 11,353                   | 442,036                   |
| Fixed assets       | (1)                        | (215,307)                  | -                        | (215,308)                 |
|                    | <u>1,453,297</u>           | <u>(1,237,922)</u>         | <u>11,353</u>            | <u>226,728</u>            |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 880                        | (2,661)                    | -                        | (1,781)                   |
| Equipment fund     | 10,593                     | -                          | -                        | 10,593                    |
|                    | <u>11,473</u>              | <u>(2,661)</u>             | <u>-</u>                 | <u>8,812</u>              |
| <b>TOTAL FUNDS</b> | <u><u>1,464,770</u></u>    | <u><u>(1,240,583)</u></u>  | <u><u>11,353</u></u>     | <u><u>235,540</u></u>     |

Fixed assets have been separately designated to show the free reserves position at the balance sheet date.

Amounts donated to the Nurses by patients, relatives and friends, are held in a separate fund. This is spent on refreshments and an annual party. Similarly there is a fund for the District Nurses.

The equipment fund represents donations made to the charity to purchase small items of equipment to assist with patient services. Transfers from this fund to the designated fixed assets fund represent funds which have been fully expended, the terms of restriction applied have been met and the associated fixed assets are an integral part of the fixed assets of the charity.

## 23. CAPITAL COMMITMENTS

At the year end the board had committed to the carbon reduction phase 2 totalling £80,043.

## 24. RELATED PARTY DISCLOSURES

Mr B Nealon, a trustee, is the chairman of Rye & District Community Transport, a charity that Rye, Winchelsea And District Memorial Hospital donated £10,000 (2022: £10,000) to in the year.

Total donations received from trustees in the year without conditions was £240 (2022: £240). Total donations received with conditions was £nil (2022 - nil).

## 25. ULTIMATE CONTROLLING PARTY

The charity is controlled by the board of trustees.

**RYE, WINCHELSEA AND DISTRICT MEMORIAL HOSPITAL LIMITED**

England & Wales - Charity number 1014232

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# Accounts

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REGISTERED COMPANY NUMBER: 02740665 (England and Wales)  
REGISTERED CHARITY NUMBER: 1014232

REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2022  
FOR  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

GMP Audit Limited, Statutory Auditor  
82 High Street  
Tenterden  
Kent  
TN30 6JG

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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FOR THE YEAR ENDED 31ST MARCH 2022

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REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2022

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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 year ended 31st March 2022. 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 significant activities

The objects of Rye, Winchelsea & District Memorial Hospital Limited (The Charity) are the relief, care and assistance of people, irrespective of race, creed or colour, who suffer from any form of mental or physical sickness or disability or infirmity due to old age or who are convalescent, and to promote the preservation and protection of health for the public benefit.

Activities are predominantly confined to the 10 acre site known as the Memorial Care Centre (the Centre). Within the bounds of the site are five main components:

- The Medical Centre which was developed by Community Care Investment let on a 125 year lease from 6 October 2006 and then sub-let as a GP surgery for a panel of 7,500 patients.

- St Bartholomew's Court, a 55 unit residential complex, originally let as 30 units to Shaftesbury Housing Association on a 125 year lease from 1 January 1994. Designed as an extra care facility, over time it lapsed into pure social housing. The lease was assigned to Sanctuary Housing Association and through a collaborative dialogue a major new development has been completed by them which added 25 new single bed units and completely gutted and refurbished the existing 30 units. 40 of the units are let under a community rental scheme and 15 units have been sold as shared equity. All future occupiers will have an extra care need of up to 20 hours a week under the revised terms of the ground lease from the Charity.

- The Hospital Building. Two thirds of the building was leased to the Primary Care Trust (PCT) for 10 years expiring on the 30th May 2020. The lease was assigned to the East Sussex Healthcare Trust (ESHT) on 1 April 2013 as the NHS service provider, upon the demise of the PCT. A Deed of Variation has been executed with the Charity to extend the lease to 30th May 2030 with a mutual option to terminate in 2025. Through a number of negotiated changes since then, ESHT now occupy the whole of the ground floor with offices on the first floor and now pay a service charge of 87%. In addition the Mutual Option to terminate the lease has been removed and ESHT have a fixed term to 2030, all of this being embodied in a revised lease. The rent payable is fixed at £150k per annum but for the first two years the Charity will make a donation back to ESHT of £25k to reduce the impact of the rent rise to market value.

- The Ambulance Site. The Charity acquired this site adjacent to the hospital in 2016 and obtained Planning Consent to build a 5,500 square foot Community Wellbeing Centre (The Hub). Work to build the site was competitively tendered and won by Jenner at a contract price of just under £2m. Construction was completed in August 2020 but impacted by the COVID restrictions. Core licences to a number of important therapy providers have been agreed: such as St. Michael's Hospice; Rye and District Day Centre and Sara Lee Trust. Plans are being actively developed to broaden its community outreach.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2022

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Objectives and significant activities (continued)

-The Care Home Site. The Charity has completed the purchase of a 1.5 acre piece of agricultural land adjoining the surgery at the rear of the Centre, with its own access to Rye Hill for the purpose of developing a Care Home. After competitive review Greensleeves were selected as the preferred developer and operator of the proposed Care Home subject to a £1.06m prepayment for the long leasehold interest. Planning permission was obtained for the development of a 60 bed Care Home. The Charity has delivered the utilities to the site, as part of its commitment, to enable the development of the project. Greensleeves expect to start construction in March 2022 after innumerable delays in getting UK Power Networks to remove the overhead wires to the site. It is hoped that completion will take place by the end of 2023. An important feature of the Ground Lease granted to Greensleeves is their commitment that 25% of the beds will be community subsidised for the benefit of local residents rather than full open market. Greensleeves were recently identified by the Which Report as the best Not-For-Profit provider in the Country.

When planning its activities the Charity keeps in mind the Charity Commission's guidance on public benefit and aims to develop and deliver services to meet the objectives as set out in the Memorandum and Articles of Association.

The Friends of the Hospital at Rye

Prior to the development of the current hospital, it was voluntarily supported by The Friends of the Rye Winchelsea and District Memorial Hospital, raising funds and providing voluntary assistance as a registered charity. When the large scale development of the site took place between 1992 and 1994 a separate charity, then called Rye Health and Care Ltd (preceding title of this charity) was formed as a company limited by guarantee to assume the development risk. The two charities had been mutually supportive ever since but in 2013 they agreed that the time was appropriate to merge. Now named The Friends of the Hospital at Rye (the Friends), it is a Committee of this charity assuming responsibility for liaison with the staff and fund raising the needs they identify for the hospital.

A rolling programme of fundraising activities and events is carried out by the Friends within the local community. Events are generated either from the charity's offices or organised by external volunteers. In addition, the charity seeks income from regular donations enhanced by the Gift Aid Scheme and appropriate management of its investment assets.

Volunteers

The positions of Chairman of the Friends and the Chairman of the Fund Raising Sub Committee are unsalaried positions.

The Company Secretary and Senior Administrative Officer has been a full time post since May 2020, with 60% of her time dedicated to hospital activities and 40% to Charity activities. All fundraising activities are planned and co-ordinated by and through the aforementioned posts, with assistance appropriate to each activity being provided solely by unpaid volunteers.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity continued during the period under review in its principal activity as freeholder of the Memorial Care Centre. The net surplus for the year before unrealised profits on investments (£18,580) was £163,225 after allowing for the depreciation and impairment of the Charity's real property and fittings and fixtures in a sum of £127,716.

The Charity owes a duty to the people of Rye, Winchelsea and the surrounding villages to secure the provision of community hospital services at the Centre. Hitherto these services have been provided in partnership with our local PCT and more recently from ESHT but on terms which require a substantial contribution from the Charity. For example, each year the Charity expends significant funds to carry out improvements for the benefit of the patients. The exterior painting; refurbishment of the reception area and a large proportion of the out-patient upgrade, were all funded by the Charity.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2022

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Charitable activities (continued)

Additionally, although government policy is expressed to be supportive of community hospitals the reality is that the current economic financial position of many Healthcare Trusts has meant that community hospitals have had their beds closed to achieve economies. The Charity's strategy is to develop a strong working bond with ESHT while retaining significant reserves to enable it to respond in the unlikely event that they decide to reduce or, even, withdraw its support. With the completion of the lease extension to ESHT, the Trustees took the view that some of its reserves held against this risk should be released to assist in funding the Hub on the Ambulance Site.

Investment performance

Investment performance has been achieved against the objectives set for this period. Details of return on investments can be found in the Statement of Financial Activities

FINANCIAL REVIEW

Investment policy and objectives

The Board's policy is to invest in the property and facilities to provide the resources necessary for the charity to meet its objectives. Any surplus resources are placed with a stockbroker to invest appropriately.

The Board has resolved to retain Messrs Brewin Dolphin to advise and handle its growing investment funds, with the condition that no investments are made directly in tobacco companies.

The Board has a formal Investment Policy which is reviewed annually.

Reserves policy

The Charity has unrestricted general reserves of £4,548,580 at the balance sheet date, of which £4,899,848 relates to fixed assets which would have to be disposed of in order to realise the full fund amount. The amount of general reserves excluding the building fund is a deficit of £351,268.

As detailed above it is the Charity's strategy to build reserves (in cash and readily realisable investments) to support the continuation of the Hospital should funding be reduced or withdrawn. The Board reviews the extent of these reserves on a regular basis, balancing the risk of ESHT terminating its use of the hospital with the desire to invest surplus funds for the benefit of the community.

The Board has a Reserves Policy which is reviewed annually

Restricted funds amount to £1,621.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2022

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#### FUTURE PLANS

In light of the charity's sustained annual cash surplus the Trustees decided to commission an independent report from Dr Helen Tucker (Chairman of the National Community Hospital Association) to identify future community health needs and advise the kinds of investment the charity should commit to, to remain true to its mission.

The core responsibility of the Charity is the hospital itself and the Charity has supported the hospital in its role as an Intermediate Care Facility, its aims being to provide a care pathway between acute treatment in a District General Hospital (DGH) and home. Particular emphasis is placed on remedial therapy and physiotherapy to ensure patients are better able to cope with the transition from hospital to home. Intermediate Care Hospitals also provide step up therapy from home which avoids the need to become a patient at a DGH. The gymnasium and equipment plus the new kitchen and laundry have all enhanced the service component to patients. Dr Tucker identified the future need for a Minor Injury and Illness Unit with X-Ray and radiography support as the next important investment to bring diagnostics closer to home.

From a broader health perspective Dr Tucker noted that large numbers of elderly and frail people are located in Care Homes a considerable distance from Rye. The East Sussex County Council supported this identified need with its Demand Mapping report. The Charity purchased the adjacent site to the hospital of 1.5 acres. Following a competitive review the Charity has selected Greenleaves as its preferred developer and provider and has completed a 125 year Ground Lease. Planning Permission for a 60 bed Residential Care home has been obtained. The lease terms provide a condition that 25% of the beds be designated as community beds for local residents. Utility connections to the site have been delivered and construction is due to commence in March 2022 with completion scheduled for the end of 2023.

Dr Tucker's third and final recommendation was that the Ambulance Site could be developed as a 5500 sq. ft. Hub. This now provides a much needed service that provides therapy; health activities and catering. In the light of the Charity's sustained surpluses this project, known as The Hub on Rye Hill, will deliberately run at an operating loss to fulfil its mission to deliver its services to the community at as low a sustainable cost as possible.

Physiotherapy, rehabilitation and diagnostic services are central to Intermediate Care Hospitals and the charity continues to seek ways of bringing a wide range of these services to its out-patient clinics.

In the period following the end of the Accounting Year the Board has committed to a major capital improvement plan to replace the existing boilers; Management System and ventilation with an air cooled heating system; Photo-Voltaic Cells and air conditioning to make the Hospital one of the first in the country to be substantially Carbon Neutral.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

Rye, Winchelsea & District Memorial Hospital Limited is a company limited by guarantee. The company is governed by its Memorandum and Articles of Association, which set out the objects and powers of the company and its directors. It also provides for the appointment of new directors.

##### Recruitment and appointment of new trustees

Trustees are recruited and appointed from members of the local community who wish to assist the charity. Care is taken to ensure that an appropriate range of skills is represented

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2022

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## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Organisational structure

The Board meets quarterly. In addition, it carries out its responsibilities through a number of committees whose members are drawn from the Board and from appropriated community volunteers with relevant skills. In the case of Fund Raising, participation is drawn from the Charity's excellent network of supporters. The committees meet as often as necessary. During the year these committees comprised: Clinical; Hub; Fund Raising; Investment and Governance. The Board is able to harness the advice of these committees and develop its strategic priorities more particularly described under Plans for Future Periods.

In May 2020 Mr Martyn Phillips retired from the Board and became the Chief Operating officer on a part time basis, in light of the increasing operational demand posed by the opening of the Hub.

The day to day administration of the Charity is delegated to the Company Secretary and Senior Administrative Officer, Mrs Francesca Clent.

### Induction and training of new trustees

New trustees undergo a short induction programme with the charity's administrator and training is made available dependent of the needs of the trustee. Each Board Member is given a full formal Induction Pack.

### Wider network

Other than membership of the Community Hospitals Association, the charity is not a member of a wider network.

### Risk management

The trustees constantly monitor any risks to which the charity may be exposed and are confident that procedures have been established to manage these risks. A formal Risk policy has been adopted and is reviewed annually.

### Fund raising approach and standards

The Charity raises funds to support the Hospital through a voluntary Fund Raising Committee of the Friends, supported by the Company Secretary and Senior Administrative Officer.

The scale of these activities are modest with approximately ten to twelve events a year with a target budget of £15k.

The Charity observes the requirements of the Charities Act 1992 with regard to solicitation. Marketing is done by use of the website, social media, printed fliers and word of mouth to its regular supporters.

The Charity also takes care to observe the requirements of the Data Protection legislation.

## COVID-19

The current epidemic has had a significant impact on the operation of The Hospital and the opening of the Community Wellbeing Centre (Hub). The Charity has a commitment to follow all the Government guidelines for use and occupancy and has sought external advice to ensure compliance. It's financial position is such that it is well able to cope with any financial impact that the epidemic may pose.

## REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number  
02740665 (England and Wales)

Registered Charity number  
1014232

Registered office  
The Memorial Care Centre  
Peasmarsh Road  
Rye Foreign, Rye  
East Sussex  
TN31 7UD

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2022

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Trustees

B M Nealon - Chairman  
C A Rowsell (resigned 15/11/2021)  
J C Kirkham  
J J Huddle  
Dr E M Bamji  
J S Dudfield  
Dr M K Kondagari  
Dr R A McNeilly NHS Doctor  
P J A Riley  
I Potter  
J J Posnette  
B P Baker

Honorary appointments

Patron

Sir Paul McCartney

Presidents

A Phillips

Vice Presidents

J M Stevenson  
Rev W Buxton

Honorary member

A M Oliphant

Company Secretary

F J Clent

Auditors

GMP Audit Limited, Statutory Auditor  
82 High Street  
Tenterden  
Kent  
TN30 6JG

Solicitors

Whitehead Monckton  
3-4 Market Square  
Tenterden  
Kent  
TN30 6BN

Bankers

HSBC  
4 Robertson Street  
Hastings  
East Sussex  
TN34 1HW

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rye, Winchelsea and District Memorial Hospital Limited 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).

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2022

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STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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;
- 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 7th December 2022 and signed on its behalf by:

B M Nealon - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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#### Opinion

We have audited the financial statements of Rye, Winchelsea and District Memorial Hospital Limited (the 'charitable company') for the year ended 31st March 2022 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 charitable company's affairs as at 31st March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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.

#### 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
- the charitable company has not kept adequate accounting records; 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.

#### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

#### 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:

- Discussions with the trustees which included consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reviewing, evaluating and testing systems and controls to assess their effectiveness to prevent and detect irregularities.
- Identifying, reviewing and testing of journal entries.
- Challenging assumptions and judgements made by the trustees in respect of significant accounting estimates.
- Reviewing minutes of Trustee Meetings for known or suspected instances of non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of GMP Audit Limited, Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
82 High Street  
Tenterden  
Kent  
TN30 6JG

8th December 2022

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31ST MARCH 2022

|                                    | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2022<br>Total<br>funds<br>£ | 2021<br>Total<br>funds<br>£ |
|------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                            |                          |                             |                             |
| Donations and legacies             | 3     | 269,951                    | 10,972                   | 280,923                     | 193,682                     |
| Charitable activities              |       |                            |                          |                             |                             |
| Premises costs                     |       | 421,188                    | -                        | 421,188                     | 368,423                     |
| Hub on the Hill                    |       | 16,961                     | -                        | 16,961                      | 12,910                      |
| Other trading activities           | 4     | 50,894                     | -                        | 50,894                      | 13,742                      |
| Investment income                  | 5     | 13,032                     | -                        | 13,032                      | 10,829                      |
| <b>Total</b>                       |       | <b>772,026</b>             | <b>10,972</b>            | <b>782,998</b>              | <b>599,586</b>              |
| <b>EXPENDITURE ON</b>              |       |                            |                          |                             |                             |
| Raising funds                      | 7     | 24,392                     | -                        | 24,392                      | 22,759                      |
| Charitable activities              | 8     |                            |                          |                             |                             |
| Premises costs                     |       | 472,798                    | 1,379                    | 474,177                     | 406,926                     |
| Grants payable                     |       | 4,858                      | -                        | 4,858                       | 5,300                       |
| Hub on the Hill                    |       | 131,130                    | -                        | 131,130                     | 65,356                      |
| Other                              |       | 1,175                      | -                        | 1,175                       | 2,930                       |
| <b>Total</b>                       |       | <b>634,353</b>             | <b>1,379</b>             | <b>635,732</b>              | <b>503,271</b>              |
| Net gains on investments           |       | 34,539                     | -                        | 34,539                      | 118,186                     |
| <b>NET INCOME</b>                  |       | <b>172,212</b>             | <b>9,593</b>             | <b>181,805</b>              | <b>214,501</b>              |
| Transfers between funds            | 22    | 15,593                     | (15,593)                 | -                           | -                           |
| Net movement in funds              |       | 187,805                    | (6,000)                  | 181,805                     | 214,501                     |
| <b>RECONCILIATION OF FUNDS</b>     |       |                            |                          |                             |                             |
| Total funds brought forward        |       | 4,360,775                  | 7,621                    | 4,368,396                   | 4,153,895                   |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <b>4,548,580</b>           | <b>1,621</b>             | <b>4,550,201</b>            | <b>4,368,396</b>            |

The notes form part of these financial statements

BALANCE SHEET  
31ST MARCH 2022

|                                              | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2022<br>Total<br>funds<br>£ | 2021<br>Total<br>funds<br>£ |
|----------------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                          |       |                            |                          |                             |                             |
| Tangible assets                              | 15    | 4,899,848                  | -                        | 4,899,848                   | 4,662,654                   |
| Investments                                  | 16    | 482,385                    | -                        | 482,385                     | 731,993                     |
| Investment property                          | 17    | 1                          | -                        | 1                           | 1                           |
|                                              |       | <u>5,382,234</u>           | <u>-</u>                 | <u>5,382,234</u>            | <u>5,394,648</u>            |
| <b>CURRENT ASSETS</b>                        |       |                            |                          |                             |                             |
| Debtors                                      | 18    | 68,358                     | -                        | 68,358                      | 62,070                      |
| Cash at bank and in hand                     |       | <u>376,481</u>             | <u>1,621</u>             | <u>378,102</u>              | <u>246,424</u>              |
|                                              |       | <u>444,839</u>             | <u>1,621</u>             | <u>446,460</u>              | <u>308,494</u>              |
| <b>CREDITORS</b>                             |       |                            |                          |                             |                             |
| Amounts falling due within one year          | 19    | (56,335)                   | -                        | (56,335)                    | (102,268)                   |
| <b>NET CURRENT ASSETS</b>                    |       | <u>388,504</u>             | <u>1,621</u>             | <u>390,125</u>              | <u>206,226</u>              |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>5,770,738</u>           | <u>1,621</u>             | <u>5,772,359</u>            | <u>5,600,874</u>            |
| <b>CREDITORS</b>                             |       |                            |                          |                             |                             |
| Amounts falling due after more than one year | 20    | (1,222,158)                | -                        | (1,222,158)                 | (1,232,478)                 |
| <b>NET ASSETS</b>                            |       | <u>4,548,580</u>           | <u>1,621</u>             | <u>4,550,201</u>            | <u>4,368,396</u>            |
| <b>FUNDS</b>                                 | 22    |                            |                          |                             |                             |
| Unrestricted funds                           |       |                            |                          | 4,548,580                   | 4,360,775                   |
| Restricted funds                             |       |                            |                          | <u>1,621</u>                | <u>7,621</u>                |
| <b>TOTAL FUNDS</b>                           |       |                            |                          | <u>4,550,201</u>            | <u>4,368,396</u>            |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

BALANCE SHEET - continued  
31ST MARCH 2022

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These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 7th December 2022 and were signed on its behalf by:

B M Nealon - Trustee

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2022

|                                                                    | Notes | 2022<br>£ | 2021<br>£ |
|--------------------------------------------------------------------|-------|-----------|-----------|
| Cash flows from operating activities                               |       |           |           |
| Cash generated from operations                                     | 1     | 199,410   | 104,355   |
| Net cash provided by operating activities                          |       | 199,410   | 104,355   |
| Cash flows from investing activities                               |       |           |           |
| Purchase of tangible fixed assets                                  |       | (364,911) | (296,408) |
| Purchase of fixed asset investments                                |       | (25,003)  | (189,129) |
| Sale of fixed asset investments                                    |       | 309,150   | 134,592   |
| Interest received                                                  |       | 20        | 63        |
| Dividends received                                                 |       | 13,012    | 10,766    |
| Net cash used in investing activities                              |       | (67,732)  | (340,116) |
| Change in cash and cash equivalents in the reporting period        |       | 131,678   | (235,761) |
| Cash and cash equivalents at the beginning of the reporting period |       | 246,424   | 482,185   |
| Cash and cash equivalents at the end of the reporting period       |       | 378,102   | 246,424   |

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2022

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

|                                                                                    | 2022<br>£      | 2021<br>£      |
|------------------------------------------------------------------------------------|----------------|----------------|
| Net income for the reporting period (as per the Statement of Financial Activities) | 181,805        | 214,501        |
| Adjustments for:                                                                   |                |                |
| Depreciation charges                                                               | 127,716        | 121,271        |
| Gain on investments                                                                | (34,539)       | (118,186)      |
| Interest received                                                                  | (20)           | (63)           |
| Dividends received                                                                 | (13,012)       | (10,766)       |
| (Increase)/decrease in debtors                                                     | (6,287)        | 64,050         |
| Decrease in creditors                                                              | (56,253)       | (166,452)      |
| Net cash provided by operations                                                    | <u>199,410</u> | <u>104,355</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

|                          | At 1/4/21<br>£ | Cash flow<br>£ | At 31/3/22<br>£ |
|--------------------------|----------------|----------------|-----------------|
| Net cash                 |                |                |                 |
| Cash at bank and in hand | <u>246,424</u> | <u>131,678</u> | <u>378,102</u>  |
|                          | <u>246,424</u> | <u>131,678</u> | <u>378,102</u>  |
| Total                    | <u>246,424</u> | <u>131,678</u> | <u>378,102</u>  |

1. STATUTORY INFORMATION

Rye, Winchelsea and District Memorial Hospital Limited is a private charitable company limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the reference and administrative details in the Report of the Trustees.

2. 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.

**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.

Fees, contributions and grants comprise of amounts receivable during the year.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

The value of donated items is recognised when the associated raffle or auction has taken place through the receipt of funds from these events.

The valuable time given by volunteers towards the charities objectives is not valued for the purposes of these financial statements.

Investment income is recognised in the financial statements when receivable.

The lease premium income has been deferred over the period of the lease on a straight line basis.

**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.

Costs in furtherance of the charitable objectives are those that relate directly to the upkeep and maintenance of the hospital including salaries.

Fundraising expenditure represents the direct costs of fundraising and includes the salaries and other direct costs of fundraising staff. Publicity costs directly related to fundraising are included in the fundraising costs.

Management and administration costs include office costs and other expenditure including salaries.

## 2. ACCOUNTING POLICIES - continued

### Tangible fixed assets

Fixed assets are recorded at cost or, in cases where assets have been donated, at the valuation at the time of the acquisition.

Depreciation is provided at the following annual rates in order to write off each assets over its useful economic life:

|                                          |                                          |
|------------------------------------------|------------------------------------------|
| Freehold buildings                       | - straight line over 100 years           |
| Freehold buildings - refurbishment costs | - 10 % or 20 % on cost                   |
| Assets in the course of construction     | - not depreciated until brought into use |
| Furniture and equipment                  | - 10 % on cost                           |

No depreciation is provided on freehold land.

### Investments

Listed investments are included at market value at the year end. Gains and losses on disposal and revaluation of investments are charged or credited to the Statement of Financial Activities.

### Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

### Taxation

The charity is exempt from corporation 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.

In the trustees opinion, where no restrictions are placed, the incoming resources and resources expended are all derived for the benefit of running the hospital premises. Therefore the trustees choose to classify this income and expenditure as unrestricted.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid at the year end after taking account of any trade discounts due.

### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### Pension costs and other post-retirement benefits

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

3. DONATIONS AND LEGACIES

|              | 2022           | 2021           |
|--------------|----------------|----------------|
|              | £              | £              |
| Donations    | 19,762         | 23,560         |
| Gift aid     | 2,487          | 3,117          |
| Legacies     | 251,000        | 155,778        |
| Grants       | -              | 6,403          |
| Other income | 7,674          | 4,824          |
|              | <u>280,923</u> | <u>193,682</u> |

Grants received, included in the above, are as follows:

|             | 2022 | 2021  |
|-------------|------|-------|
|             | £    | £     |
| CJRS grants | -    | 6,403 |

4. OTHER TRADING ACTIVITIES

|                      | 2022          | 2021          |
|----------------------|---------------|---------------|
|                      | £             | £             |
| Fundraising events   | 23,366        | 2,887         |
| Hub on the Hill Cafe | 27,528        | 10,855        |
|                      | <u>50,894</u> | <u>13,742</u> |

5. INVESTMENT INCOME

|                          | 2022          | 2021          |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Fixed asset investments  | 13,012        | 10,766        |
| Deposit account interest | 20            | 63            |
|                          | <u>13,032</u> | <u>10,829</u> |

6. INCOME FROM CHARITABLE ACTIVITIES

|                                     | Activity        | 2022           | 2021           |
|-------------------------------------|-----------------|----------------|----------------|
|                                     |                 | £              | £              |
| Running costs recharged to the ESHT | Premises costs  | 203,921        | 149,725        |
| ESHT rent and management charges    | Premises costs  | 135,000        | 134,426        |
| Other rents receivable              | Premises costs  | 81,101         | 80,531         |
| Other costs recharged               | Premises costs  | 1,166          | 3,741          |
| Licence fees                        | Hub on the Hill | 16,961         | 12,910         |
|                                     |                 | <u>438,149</u> | <u>381,333</u> |

7. RAISING FUNDS

Raising donations and legacies

|                         | 2022         | 2021         |
|-------------------------|--------------|--------------|
|                         | £            | £            |
| Staff costs             | -            | 4,528        |
| Other fundraising costs | 3,413        | 821          |
|                         | <u>3,413</u> | <u>5,349</u> |

Other trading activities

|           | 2022          | 2021          |
|-----------|---------------|---------------|
|           | £             | £             |
| Purchases | <u>14,678</u> | <u>12,081</u> |

Investment management costs

|                      | 2022         | 2021         |
|----------------------|--------------|--------------|
|                      | £            | £            |
| Portfolio management | <u>6,301</u> | <u>5,329</u> |

Aggregate amounts

|  | 2022          | 2021          |
|--|---------------|---------------|
|  | <u>24,392</u> | <u>22,759</u> |

8. CHARITABLE ACTIVITIES COSTS

|                 | Direct<br>Costs (see<br>note 9) | Support<br>costs (see<br>note 10) | Totals         |
|-----------------|---------------------------------|-----------------------------------|----------------|
|                 | £                               | £                                 | £              |
| Premises costs  | 401,820                         | 72,357                            | 474,177        |
| Grants payable  | 4,858                           | -                                 | 4,858          |
| Hub on the Hill | 126,242                         | 4,888                             | 131,130        |
|                 | <u>532,920</u>                  | <u>77,245</u>                     | <u>610,165</u> |

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

|                                              | 2022          | 2021         |
|----------------------------------------------|---------------|--------------|
|                                              | £             | £            |
| Staff costs                                  | 140,257       | 96,562       |
| Rates and water                              | 10,616        | 1,574        |
| Insurance                                    | 3,850         | 1,605        |
| Light and heat                               | 11,326        | 7,863        |
| Telephone                                    | 3,181         | 1,998        |
| Advertising                                  | 420           | 415          |
| Running costs recharged to the ESHT          | 149,917       | 97,031       |
| Contribution to Sara Lee Trust running costs | 4,858         | 5,300        |
| Running costs not recharged                  | 41,778        | 43,768       |
| Maintenance                                  | 10,030        | 11,000       |
| Licences                                     | 1,500         | 1,473        |
| Cleaning                                     | 15,475        | 7,111        |
| Donations                                    | <u>11,996</u> | <u>8,348</u> |
| Carried forward                              | 405,204       | 284,048      |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2022

9. DIRECT COSTS OF CHARITABLE ACTIVITIES - continued

|                 | 2022<br>£      | 2021<br>£      |
|-----------------|----------------|----------------|
| Brought forward | 405,204        | 284,048        |
| Depreciation    | 127,716        | 121,271        |
|                 | <u>532,920</u> | <u>405,319</u> |

10. SUPPORT COSTS

|                          | Management<br>£ | Governance<br>costs<br>£ | Totals<br>£   |
|--------------------------|-----------------|--------------------------|---------------|
| Other resources expended | -               | 1,175                    | 1,175         |
| Premises costs           | 62,794          | 9,563                    | 72,357        |
| Hub on the Hill          | 2,334           | 2,554                    | 4,888         |
|                          | <u>65,128</u>   | <u>13,292</u>            | <u>78,420</u> |

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

Management

|                         | Premises<br>costs<br>£ | Hub on<br>the Hill<br>£ | 2022<br>Total<br>activities<br>£ | 2021<br>Total<br>activities<br>£ |
|-------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| Wages                   | 44,122                 | -                       | 44,122                           | 38,146                           |
| Social security         | 3,859                  | -                       | 3,859                            | 2,814                            |
| Pensions                | 606                    | -                       | 606                              | 548                              |
| Repairs and maintenance | 1,646                  | -                       | 1,646                            | 2,517                            |
| Office costs            | 1,887                  | 995                     | 2,882                            | 5,321                            |
| Other expenses          | 10,674                 | 875                     | 11,549                           | 9,494                            |
| Website costs           | -                      | 464                     | 464                              | -                                |
|                         | <u>62,794</u>          | <u>2,334</u>            | <u>65,128</u>                    | <u>58,840</u>                    |

Governance costs

|                                              | Other<br>resources<br>expended<br>£ | Premises<br>costs<br>£ | Hub on<br>the Hill<br>£ | 2022<br>Total<br>activities<br>£ | 2021<br>Total<br>activities<br>£ |
|----------------------------------------------|-------------------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| Auditors' remuneration                       | -                                   | 5,725                  | -                       | 5,725                            | 5,200                            |
| Auditors' remuneration<br>for non audit work | 1,175                               | -                      | -                       | 1,175                            | 2,930                            |
| Bank charges                                 | -                                   | 292                    | 369                     | 661                              | 232                              |
| Legal fees                                   | -                                   | 3,546                  | 2,185                   | 5,731                            | 7,991                            |
|                                              | <u>1,175</u>                        | <u>9,563</u>           | <u>2,554</u>            | <u>13,292</u>                    | <u>16,353</u>                    |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2022

11. NET INCOME/(EXPENDITURE)

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

|                                           | 2022           | 2021           |
|-------------------------------------------|----------------|----------------|
|                                           | £              | £              |
| Auditors' remuneration                    | 5,725          | 5,200          |
| Auditors' remuneration for non audit work | 1,175          | 2,930          |
| Depreciation - owned assets               | 127,717        | 121,272        |
| Accountancy recharged to tenants          | 5,125          | 6,305          |
|                                           | <u>139,742</u> | <u>135,707</u> |

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

13. STAFF COSTS

|                       | 2022           | 2021           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 172,474        | 130,863        |
| Social security costs | 13,131         | 9,317          |
| Other pension costs   | 3,239          | 2,418          |
|                       | <u>188,844</u> | <u>142,598</u> |

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

|                          | 2022     | 2021     |
|--------------------------|----------|----------|
| Operation of the charity | 4        | 3        |
| Operation of Hub         | 5        | 3        |
|                          | <u>9</u> | <u>6</u> |

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

|                            | Unrestricted funds | Restricted funds | Total funds    |
|----------------------------|--------------------|------------------|----------------|
|                            | £                  | £                | £              |
| INCOME AND ENDOWMENTS FROM |                    |                  |                |
| Donations and legacies     | 187,032            | 6,650            | 193,682        |
| Charitable activities      |                    |                  |                |
| Premises costs             | 368,423            | -                | 368,423        |
| Hub on the Hill            | 12,910             | -                | 12,910         |
| Other trading activities   | 13,742             | -                | 13,742         |
| Investment income          | 10,829             | -                | 10,829         |
| Total                      | <u>592,936</u>     | <u>6,650</u>     | <u>599,586</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2022

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

|                             | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|-----------------------------|----------------------------|--------------------------|---------------------|
| EXPENDITURE ON              |                            |                          |                     |
| Raising funds               | 22,759                     | -                        | 22,759              |
| Charitable activities       |                            |                          |                     |
| Premises costs              | 406,058                    | 868                      | 406,926             |
| Grants payable              | 5,300                      | -                        | 5,300               |
| Hub on the Hill             | 65,356                     | -                        | 65,356              |
| Other                       | 2,930                      | -                        | 2,930               |
| Total                       | 502,403                    | 868                      | 503,271             |
| Net gains on investments    | 118,186                    | -                        | 118,186             |
| NET INCOME                  | 208,719                    | 5,782                    | 214,501             |
| Transfers between funds     | 44,111                     | (44,111)                 | -                   |
| Net movement in funds       | 252,830                    | (38,329)                 | 214,501             |
| RECONCILIATION OF FUNDS     |                            |                          |                     |
| Total funds brought forward | 4,107,945                  | 45,950                   | 4,153,895           |
| TOTAL FUNDS CARRIED FORWARD | 4,360,775                  | 7,621                    | 4,368,396           |

15. TANGIBLE FIXED ASSETS

|                    | Freehold<br>property<br>£ | Assets in<br>the<br>course of<br>construction<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£ |
|--------------------|---------------------------|----------------------------------------------------|----------------------------------|-------------|
| COST               |                           |                                                    |                                  |             |
| At 1st April 2021  | 5,633,873                 | -                                                  | 250,070                          | 5,883,943   |
| Additions          | 196,494                   | 128,159                                            | 40,258                           | 364,911     |
| At 31st March 2022 | 5,830,367                 | 128,159                                            | 290,328                          | 6,248,854   |
| DEPRECIATION       |                           |                                                    |                                  |             |
| At 1st April 2021  | 1,050,986                 | -                                                  | 170,303                          | 1,221,289   |
| Charge for year    | 109,348                   | -                                                  | 18,369                           | 127,717     |
| At 31st March 2022 | 1,160,334                 | -                                                  | 188,672                          | 1,349,006   |
| NET BOOK VALUE     |                           |                                                    |                                  |             |
| At 31st March 2022 | 4,670,033                 | 128,159                                            | 101,656                          | 4,899,848   |
| At 31st March 2021 | 4,582,887                 | -                                                  | 79,767                           | 4,662,654   |

Included in cost or valuation of land and buildings is freehold land of £273,266 (2021 - £273,266) which is not depreciated.

16. FIXED ASSET INVESTMENTS

|                    | Listed<br>investments<br>£ | Cash held<br>for<br>investments<br>£ | Totals<br>£ |
|--------------------|----------------------------|--------------------------------------|-------------|
| MARKET VALUE       |                            |                                      |             |
| At 1st April 2021  | 719,843                    | 12,150                               | 731,993     |
| Additions          | 25,003                     | -                                    | 25,003      |
| Disposals          | (289,188)                  | (4,003)                              | (293,191)   |
| Revaluations       | 18,580                     | -                                    | 18,580      |
| At 31st March 2022 | 474,238                    | 8,147                                | 482,385     |
| NET BOOK VALUE     |                            |                                      |             |
| At 31st March 2022 | 474,238                    | 8,147                                | 482,385     |
| At 31st March 2021 | 719,843                    | 12,150                               | 731,993     |

There were no investment assets outside the UK.

Cost or valuation at 31st March 2022 is represented by:

|      | Listed<br>investments<br>£ | Cash held<br>for<br>investments<br>£ | Totals<br>£ |
|------|----------------------------|--------------------------------------|-------------|
| Cost | 474,238                    | 8,147                                | 482,385     |

17. INVESTMENT PROPERTY

|                                          | £       |
|------------------------------------------|---------|
| FAIR VALUE                               |         |
| At 1st April 2021<br>and 31st March 2022 | 492,744 |
| AMORTISATION                             |         |
| At 1st April 2021<br>and 31st March 2022 | 492,743 |
| NET BOOK VALUE                           |         |
| At 31st March 2022                       | 1       |
| At 31st March 2021                       | 1       |

Included in investment property is freehold land valued at £1 (2021 - £1).

The freehold land acquired during the year ended 31 March 2019 was subsequently leased to a Trust for a period of 125 years for the construction and running of a care home, at a premium of £1,060,000. In the Trustees' opinion the land has no open market value and its fair value has therefore been reduced to £1.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2022

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                | 2022          | 2021          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Trade debtors                  | 48,343        | 11,940        |
| VAT                            | 16,702        | 22,396        |
| Prepayments and accrued income | 3,313         | 27,734        |
|                                | <u>68,358</u> | <u>62,070</u> |

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 2022          | 2021           |
|---------------------------------|---------------|----------------|
|                                 | £             | £              |
| Social security and other taxes | 2,647         | 1,877          |
| Other creditors                 | 43,368        | 90,071         |
| Deferred income                 | 10,320        | 10,320         |
|                                 | <u>56,335</u> | <u>102,268</u> |

The company acquired the freehold land on 6 October 2006 at a cost of £250,000. A proportion of this has been leased to a GP practice on a 125 year lease at a premium of £230,000.

On 6 November 2018 the company leased a further area of freehold land to a Trust for the construction of a care home at a premium of £1,060,000, for a period of 125 years.

The above premiums have been deferred and are being released to the Statement of Financial Activities on a straight line basis over the term of the lease. The deferred elements are shown within other creditors both in short term and creditors, amounts falling due after more than one year.

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

|                 | 2022             | 2021             |
|-----------------|------------------|------------------|
|                 | £                | £                |
| Deferred income | <u>1,222,158</u> | <u>1,232,478</u> |

21. LEASING AGREEMENTS

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

|                 | 2022         | 2021         |
|-----------------|--------------|--------------|
|                 | £            | £            |
| Within one year | <u>1,464</u> | <u>1,260</u> |

Lease payments recognised as an expense in the year were £1,500 (2021: £1,500)

22. MOVEMENT IN FUNDS

|                      | At 1/4/21<br>£   | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/22<br>£ |
|----------------------|------------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds   |                  |                                  |                                    |                    |
| General fund         | (301,879)        | 299,929                          | (349,319)                          | (351,269)          |
| Fixed assets         | 4,662,654        | (127,717)                        | 364,912                            | 4,899,849          |
|                      | <u>4,360,775</u> | <u>172,212</u>                   | <u>15,593</u>                      | <u>4,548,580</u>   |
| Restricted funds     |                  |                                  |                                    |                    |
| Nurses fund          | 2,560            | (1,000)                          | -                                  | 1,560              |
| District nurses fund | 61               | -                                | -                                  | 61                 |
| Equipment fund       | 5,000            | 10,593                           | (15,593)                           | -                  |
|                      | <u>7,621</u>     | <u>9,593</u>                     | <u>(15,593)</u>                    | <u>1,621</u>       |
| TOTAL FUNDS          | <u>4,368,396</u> | <u>181,805</u>                   | <u>-</u>                           | <u>4,550,201</u>   |

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

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 772,027                    | (506,637)                  | 34,539                   | 299,929                   |
| Fixed assets       | (1)                        | (127,716)                  | -                        | (127,717)                 |
|                    | <u>772,026</u>             | <u>(634,353)</u>           | <u>34,539</u>            | <u>172,212</u>            |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 379                        | (1,379)                    | -                        | (1,000)                   |
| Equipment fund     | 10,593                     | -                          | -                        | 10,593                    |
|                    | <u>10,972</u>              | <u>(1,379)</u>             | <u>-</u>                 | <u>9,593</u>              |
| TOTAL FUNDS        | <u>782,998</u>             | <u>(635,732)</u>           | <u>34,539</u>            | <u>181,805</u>            |

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

|                      | At 1/4/20<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/21<br>£      |
|----------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds   |                         |                                  |                                    |                         |
| General fund         | 1,319,449               | 329,990                          | (1,951,318)                        | (301,879)               |
| Fixed assets         | 2,788,496               | (121,271)                        | 1,995,429                          | 4,662,654               |
|                      | <u>4,107,945</u>        | <u>208,719</u>                   | <u>44,111</u>                      | <u>4,360,775</u>        |
| Restricted funds     |                         |                                  |                                    |                         |
| Nurses fund          | 1,778                   | 782                              | -                                  | 2,560                   |
| District nurses fund | 61                      | -                                | -                                  | 61                      |
| Equipment fund       | -                       | 5,000                            | -                                  | 5,000                   |
| Hub                  | 44,111                  | -                                | (44,111)                           | -                       |
|                      | <u>45,950</u>           | <u>5,782</u>                     | <u>(44,111)</u>                    | <u>7,621</u>            |
| <b>TOTAL FUNDS</b>   | <u><u>4,153,895</u></u> | <u><u>214,501</u></u>            | <u><u>-</u></u>                    | <u><u>4,368,396</u></u> |

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

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 592,936                    | (381,132)                  | 118,186                  | 329,990                   |
| Fixed assets       | -                          | (121,271)                  | -                        | (121,271)                 |
|                    | <u>592,936</u>             | <u>(502,403)</u>           | <u>118,186</u>           | <u>208,719</u>            |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 1,650                      | (868)                      | -                        | 782                       |
| Equipment fund     | 5,000                      | -                          | -                        | 5,000                     |
|                    | <u>6,650</u>               | <u>(868)</u>               | <u>-</u>                 | <u>5,782</u>              |
| <b>TOTAL FUNDS</b> | <u><u>599,586</u></u>      | <u><u>(503,271)</u></u>    | <u><u>118,186</u></u>    | <u><u>214,501</u></u>     |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2022

22. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

|                      | At 1/4/20<br>£          | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/22<br>£      |
|----------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds   |                         |                                  |                                    |                         |
| General fund         | 1,319,449               | 629,919                          | (2,300,637)                        | (351,269)               |
| Fixed assets         | 2,788,496               | (248,988)                        | 2,360,341                          | 4,899,849               |
|                      | <u>4,107,945</u>        | <u>380,931</u>                   | <u>59,704</u>                      | <u>4,548,580</u>        |
| Restricted funds     |                         |                                  |                                    |                         |
| Nurses fund          | 1,778                   | (218)                            | -                                  | 1,560                   |
| District nurses fund | 61                      | -                                | -                                  | 61                      |
| Equipment fund       | -                       | 15,593                           | (15,593)                           | -                       |
| Hub                  | 44,111                  | -                                | (44,111)                           | -                       |
|                      | <u>45,950</u>           | <u>15,375</u>                    | <u>(59,704)</u>                    | <u>1,621</u>            |
| <b>TOTAL FUNDS</b>   | <u><u>4,153,895</u></u> | <u><u>396,306</u></u>            | <u><u>-</u></u>                    | <u><u>4,550,201</u></u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 1,364,963                  | (887,769)                  | 152,725                  | 629,919                   |
| Fixed assets       | (1)                        | (248,987)                  | -                        | (248,988)                 |
|                    | <u>1,364,962</u>           | <u>(1,136,756)</u>         | <u>152,725</u>           | <u>380,931</u>            |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 2,029                      | (2,247)                    | -                        | (218)                     |
| Equipment fund     | 15,593                     | -                          | -                        | 15,593                    |
|                    | <u>17,622</u>              | <u>(2,247)</u>             | <u>-</u>                 | <u>15,375</u>             |
| <b>TOTAL FUNDS</b> | <u><u>1,382,584</u></u>    | <u><u>(1,139,003)</u></u>  | <u><u>152,725</u></u>    | <u><u>396,306</u></u>     |

Fixed assets have been separately designated to show the free reserves position at the balance sheet date.

Amounts donated to the Nurses by patients, relatives and friends, are held in a separate fund. This is spent on refreshments and an annual party. Similarly there is a fund for the District Nurses.

The equipment fund represents donations made to the charity to purchase small items of equipment to assist with patient services. Transfers from this fund to the designated fixed assets fund represent funds which have been fully expended, the terms of restriction applied have been met and the associated fixed assets are an integral part of the fixed assets of the charity.

23. CAPITAL COMMITMENTS

At the year end the board had committed to the carbon reduction phase 2 totalling £322,712.

24. RELATED PARTY DISCLOSURES

Mr B Nealon, a trustee, is the chairman of Rye & District Community Transport, a charity that Rye, Winchelsea And District Memorial Hospital donated £10,000 (2021: £8,000) to in the year.

Total donations received from trustees in the year without conditions was £240 (2021: £315).  
Total donations received with conditions was £nil (2021 - £5,000).

25. ULTIMATE CONTROLLING PARTY

The charity is controlled by the board of trustees.

26. CONTINGENT ASSETS

At the year end the charity is due a residual balance from a legacy, this has been estimated at approximately £18,000 but has not been confirmed, therefore no amount has been accrued in respect of this legacy.

**RYE, WINCHELSEA AND DISTRICT MEMORIAL HOSPITAL LIMITED**

England & Wales - Charity number 1014232

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# Accounts

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REGISTERED COMPANY NUMBER: 02740665 (England and Wales)  
REGISTERED CHARITY NUMBER: 1014232

REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2021  
FOR  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

GMP Audit Limited  
82 High Street  
Tenterden  
Kent  
TN30 6JG

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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FOR THE YEAR ENDED 31ST MARCH 2021

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REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2021

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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 year ended 31st March 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 significant activities

The objects of Rye, Winchelsea & District Memorial Hospital Limited (The Charity) are the relief, care and assistance of people, irrespective of race, creed or colour, who suffer from any form of mental or physical sickness or disability or infirmity due to old age or who are convalescent, and to promote the preservation and protection of health for the public benefit.

Activities are predominantly confined to the 10 acre site known as the Memorial Care Centre (the Centre). Within the bounds of the site are five main components:

- The Medical Centre which was developed by Community Care Investment let on a 125 year lease from 6 October 2006 and then sub-let as a GP surgery for a panel of 7,500 patients.

- St Bartholomew's Court, a 55 unit residential complex, originally let as 30 units to Shaftesbury Housing Association on a 125 year lease from 1 January 1994. Designed as an extra care facility, over time it lapsed into pure social housing. The lease was assigned to Sanctuary Housing Association and through a collaborative dialogue a major new development has been completed by them which added 25 new single bed units and completely gutted and refurbished the existing 30 units. 40 of the units are let under a community rental scheme and 15 units have been sold as shared equity. All future occupiers will have an extra care need of up to 20 hours a week under the revised terms of the ground lease from the Charity.

- The Hospital Building. Two thirds of the building was leased to the Primary Care Trust (PCT) for 10 years expiring on the 30th May 2020. The lease was assigned to the East Sussex Healthcare Trust (ESHT) on 1 April 2013 as the NHS service provider, upon the demise of the PCT. A Deed of Variation has been executed with the Charity to extend the lease to 30th May 2030 with a mutual option to terminate in 2025. Through a number of negotiated changes since then, ESHT now occupy the whole of the ground floor with offices on the first floor and now pay a service charge of 87%. In addition the Mutual Option to terminate the lease has been removed and ESHT have a fixed term to 2030, all of this being embodied in a revised lease. The rent payable is fixed at £150k per annum but for the first two years the Charity will make a donation back to ESHT of £25k to reduce the impact of the rent rise to market value.

- The Ambulance Site. The Charity acquired this site adjacent to the hospital in 2016 and obtained Planning Consent to build a 5,500 square foot Community Wellbeing Centre (The Hub). Work to build the site was competitively tendered and won by Jenner at a contract price of just under £2m. Construction was completed in August 2020 but impacted by the COVID restrictions. Core licences to a number of important therapy providers have been agreed: such as St. Michael's Hospice; Rye and District Day Centre and Sara Lee Trust. Plans are being actively developed to broaden its community outreach.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2021

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Objectives and significant activities (continued)

-The Care Home Site. The Charity has completed the purchase of a 1.5 acre piece of agricultural land adjoining the surgery at the rear of the Centre, with its own access to Rye Hill for the purpose of developing a Care Home. After competitive review Greensleeves were selected as the preferred developer and operator of the proposed Care Home subject to a £1.06m prepayment for the long leasehold interest. Planning permission was obtained for the development of a 60 bed Care Home. The Charity has delivered the utilities to the site, as part of its commitment, to enable the development of the project. Greensleeves expect to start construction in March 2022 after innumerable delays in getting UK Power Networks to remove the overhead wires to the site. It is hoped that completion will take place in the spring of 2023. An important feature of the Ground Lease granted to Greensleeves is their commitment that 25% of the beds will be community subsidised for the benefit of local residents rather than full open market. Greensleeves were recently identified by the Which Report as the best Not-For-Profit provider in the Country.

When planning its activities the Charity keeps in mind the Charity Commission's guidance on public benefit and aims to develop and deliver services to meet the objectives as set out in the Memorandum and Articles of Association.

The Friends of the Hospital at Rye

Prior to the development of the current hospital, it was voluntarily supported by The Friends of the Rye Winchelsea and District Memorial Hospital, raising funds and providing voluntary assistance as a registered charity. When the large scale development of the site took place between 1992 and 1994 a separate charity, then called Rye Health and Care Ltd (preceding title of this charity) was formed as a company limited by guarantee to assume the development risk. The two charities had been mutually supportive ever since but in 2013 they agreed that the time was appropriate to merge. Now named The Friends of the Hospital at Rye (the Friends), it is a Committee of this charity assuming responsibility for liaison with the staff and fund raising the needs they identify for the hospital.

A rolling programme of fundraising activities and events is carried out by the Friends within the local community. Events are generated either from the charity's offices or organised by external volunteers. In addition, the charity seeks income from regular donations enhanced by the Gift Aid Scheme and appropriate management of its investment assets.

Volunteers

The positions of Chairman of the Friends and the Chairman of the Fund Raising Sub Committee are unsalaried positions.

The Company Secretary and Senior Administrative Officer is now a full time post with 60% of her time dedicated to hospital activities and 40% to managing the Hub. All fundraising activities are planned and co-ordinated by and through the aforementioned posts, with assistance appropriate to each activity being provided solely by unpaid volunteers.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity continued during the period under review in its principal activity as freeholder of the Memorial Care Centre. The net surplus for the year before unrealised profits on investments (£119,989) was £98,118 after allowing for the depreciation and impairment of the Charity's real property and fittings and fixtures in a sum of £121,271.

The Charity owes a duty to the people of Rye, Winchelsea and the surrounding villages to secure the provision of community hospital services at the Centre. Hitherto these services have been provided in partnership with our local PCT and more recently from ESHT but on terms which require a substantial contribution from the Charity. For example, each year the Charity expends significant funds to carry out improvements for the benefit of the patients. The exterior painting; refurbishment of the reception area and a large proportion of the out-patient upgrade, were all funded by the Charity.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2021

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Charitable activities (continued)

Additionally, although government policy is expressed to be supportive of community hospitals the reality is that the current economic financial position of many Healthcare Trusts has meant that community hospitals have had their beds closed to achieve economies. The Charity's strategy is to develop a strong working bond with ESHT while retaining significant reserves to enable it to respond in the unlikely event that they decide to reduce or, even, withdraw its support. With the completion of the lease extension to ESHT, the Trustees took the view that some of its reserves held against this risk should be released to assist in funding the Hub on the Ambulance Site.

Investment performance

Investment performance has been achieved against the objectives set for this period. Details of return on investments can be found in the Statement of Financial Activities

FINANCIAL REVIEW

Investment policy and objectives

The Board's policy is to invest in the property and facilities to provide the resources necessary for the charity to meet its objectives. Any surplus resources are placed with a stockbroker to invest appropriately.

The Board has resolved to retain Messrs Brewin Dolphin to advise and handle its growing investment funds, with the condition that no investments are made directly in tobacco companies.

The Board has a formal Investment Policy which is reviewed annually.

Reserves policy

The Charity has unrestricted general reserves of £4,360,775 at the balance sheet date, of which £4,662,654 relates to fixed assets which would have to be disposed of in order to realise the full fund amount. The amount of general reserves excluding the building fund is a deficit of £301,879.

As detailed above it is the Charity's strategy to build reserves (in cash and readily realisable investments) to support the continuation of the Hospital should funding be reduced or withdrawn. The Board reviews the extent of these reserves on a regular basis, balancing the risk of ESHT terminating its use of the hospital with the desire to invest surplus funds for the benefit of the community.

The Board has a Reserves Policy which is reviewed annually

Restricted funds amount to £7,621.

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2021

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#### FUTURE PLANS

In light of the charity's sustained annual cash surplus the Trustees decided to commission an independent report from Dr Helen Tucker (Chairman of the National Community Hospital Association) to identify future community health needs and advise the kinds of investment the charity should commit to, to remain true to its mission.

The core responsibility of the Charity is the hospital itself and the Charity has supported the hospital in its role as an Intermediate Care Facility, its aims being to provide a care pathway between acute treatment in a District General Hospital (DGH) and home. Particular emphasis is placed on remedial therapy and physiotherapy to ensure patients are better able to cope with the transition from hospital to home. Intermediate Care Hospitals also provide step up therapy from home which avoids the need to become a patient at a DGH. The gymnasium and equipment plus the new kitchen and laundry have all enhanced the service component to patients. Dr Tucker identified the future need for a Minor Injury and Illness Unit with X-Ray and radiography support as the next important investment to bring diagnostics closer to home.

From a broader health perspective Dr Tucker noted that large numbers of elderly and frail people are located in Care Homes a considerable distance from Rye. The East Sussex County Council supported this identified need with its Demand Mapping report. The Charity purchased the adjacent site to the hospital of 1.5 acres. Following a competitive review the Charity has selected Greensleeves as its preferred developer and provider and has completed a 125 year Ground Lease. Planning Permission for a 60 bed Residential Care home has been obtained. The lease terms provide a condition that 25% of the beds be designated as community beds for local residents. Utility connections to the site have been delivered and construction is due to commence in March 2022 with completion scheduled for Spring 2023.

Dr Tucker's third and final recommendation was that the Ambulance Site could be developed as a 5500 sq. ft. Hub. This now provides a much needed service that provides therapy; health activities and catering. In the light of the Charity's sustained surpluses this project, known as The Hub on Rye Hill, will deliberately run at an operating loss to fulfil its mission to deliver its services to the community at as low a sustainable cost as possible.

Physiotherapy, rehabilitation and diagnostic services are central to Intermediate Care Hospitals and the charity continues to seek ways of bringing a wide range of these services to its out-patient clinics.

In the period following the end of the Accounting Year the Board has committed to a major capital improvement plan to replace the existing boilers; Management System and ventilation with an air cooled heating system; Photo-Voltaic Cells and air conditioning to make the Hospital one of the first in the country to be substantially Carbon Neutral.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

Rye, Winchelsea & District Memorial Hospital Limited is a company limited by guarantee. The company is governed by its Memorandum and Articles of Association, which set out the objects and powers of the company and its directors. It also provides for the appointment of new directors.

##### Recruitment and appointment of new trustees

Trustees are recruited and appointed from members of the local community who wish to assist the charity. Care is taken to ensure that an appropriate range of skills is represented

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2021

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## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Organisational structure

The Board meets quarterly. In addition, it carries out its responsibilities through a number of committees whose members are drawn from the Board and from appropriated community volunteers with relevant skills. In the case of Fund Raising, participation is drawn from the Charity's excellent network of supporters. The committees meet as often as necessary. During the year these committees comprised: Clinical; Development; Fund Raising; Investment and Governance. The Board is able to harness the advice of these committees and develop its strategic priorities more particularly described under Plans for Future Periods.

In May 2020 Mr Martyn Phillips retired from the Board and became the Chief Operating officer on a part time basis, in light of the increasing operational demand posed by the opening of the Hub

The day to day administration of the Charity is delegated to the Company Secretary and Senior Administrative Officer, Mrs Francesca Clent.

### Induction and training of new trustees

New trustees undergo a short induction programme with the charity's administrator and training is made available dependent of the needs of the trustee. Each Board Member is given a full formal Induction Pack.

### Wider network

Other than membership of the Community Hospitals Association, the charity is not a member of a wider network.

### Risk management

The trustees constantly monitor any risks to which the charity may be exposed and are confident that procedures have been established to manage these risks. A formal Risk policy has been adopted and is reviewed annually.

### Fund raising approach and standards

The Charity raises funds to support the Hospital through a voluntary Fund Raising Committee of the Friends, supported by the Company Secretary and Senior Administrative Officer.

The scale of these activities are modest with no more than ten events a year with a target budget of £15k.

The Charity observes the requirements of the Charities Act 1992 with regard to solicitation. Marketing is done by use of the website, printed fliers and word of mouth to its regular supporters.

The Charity also takes care to observe the requirements of the Data Protection legislation.

## COVID-19

The current epidemic has had a significant impact on the operation of The Hospital and the opening of the Community Wellbeing Centre (Hub). The Charity has a commitment to follow all the Government guidelines for use and occupancy and has sought external advice to ensure compliance. It's financial position is such that it is well able to cope with any financial impact that the epidemic may pose.

## REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number  
02740665 (England and Wales)

Registered Charity number  
1014232

Registered office  
The Memorial Care Centre  
Peasmarsh Road  
Rye Foreign, Rye  
East Sussex  
TN31 7UD

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2021

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Trustees

B M Nealon - Chair man  
Mrs S Compton - Vice Chair man (resigned 20/1/2021)  
Dr H B J Chishick (resigned 20/1/2021)  
Mrs C A Rowsell (resigned 15/11/2021)  
Mrs J C Kirkham  
J J Huddle  
Dr E M Bamji  
Mrs J S Dudfield  
Dr M K Kondagari  
M H Phillips (resigned 29/5/2020)  
Dr R A McNeilly NHS Doctor  
P J A Riley  
I Potter (appointed 20/1/2021)  
Ms J J Posnette (appointed 20/1/2021)  
B P Baker (appointed 20/1/2021)

Honorary appointments

Patron

Sir Paul McCartney

Presidents

Mrs A Phillips

Vice Presidents

J M Stevenson

Rev W Buxton

Honorary member

A M Oliphant

Company Secretary

Mrs K Gurney (retired June 2020)

Mrs F J Clent (appointed June 2020)

Auditors

GMP Audit Limited

82 High Street

Tenterden

Kent

TN30 6JG

Solicitors

Whitehead Monckton

3-4 Market Square

Tenterden

Kent

TN30 6BN

Bankers

HSBC

4 Robertson Street

Hastings

East Sussex

TN34 1HW

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2021

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rye, Winchelsea and District Memorial Hospital Limited 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;
- 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 8th December 2021 and signed on its behalf by:

B M Nealon - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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#### Opinion

We have audited the financial statements of Rye, Winchelsea and District Memorial Hospital Limited (the 'charitable company') for the year ended 31st 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 charitable company's affairs as at 31st March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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.

#### 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
- the charitable company has not kept adequate accounting records; 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.

#### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

#### 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.

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:

- Discussions with the trustees which included consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Reviewing, evaluating and testing systems and controls to assess their effectiveness to prevent and detect irregularities.
- Identifying, reviewing and testing of journal entries.
- Challenging assumptions and judgements made by the trustees in respect of significant accounting estimates.
- Reviewing minutes of Trustee Meetings for known or suspected instances of non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

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Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of GMP Audit Limited

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

82 High Street

Tenterden

Kent

TN30 6JG

8th December 2021

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31ST MARCH 2021

|                                   | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2021<br>Total<br>funds<br>£ | 2020<br>Total<br>funds<br>£ |
|-----------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM        |       |                            |                          |                             |                             |
| Donations and legacies            | 3     | 187,032                    | 6,650                    | 193,682                     | 115,121                     |
| Charitable activities             | 6     |                            |                          |                             |                             |
| Premises costs                    |       | 368,423                    | -                        | 368,423                     | 334,885                     |
| Hub on the Hill                   |       | 12,910                     | -                        | 12,910                      | -                           |
| Other trading activities          | 4     | 13,742                     | -                        | 13,742                      | 19,867                      |
| Investment income                 | 5     | 10,829                     | -                        | 10,829                      | 20,194                      |
| Total                             |       | 592,936                    | 6,650                    | 599,586                     | 490,067                     |
| EXPENDITURE ON                    |       |                            |                          |                             |                             |
| Raising funds                     | 7     | 22,759                     | -                        | 22,759                      | 26,257                      |
| Charitable activities             | 8     |                            |                          |                             |                             |
| Premises costs                    |       | 406,058                    | 868                      | 406,926                     | 315,109                     |
| Grants payable                    |       | 5,300                      | -                        | 5,300                       | 5,300                       |
| Hub on the Hill                   |       | 65,356                     | -                        | 65,356                      | -                           |
| Other                             |       | 2,930                      | -                        | 2,930                       | -                           |
| Total                             |       | 502,403                    | 868                      | 503,271                     | 346,666                     |
| Net gains/(losses) on investments |       | 118,186                    | -                        | 118,186                     | (38,309)                    |
| NET INCOME                        |       | 208,719                    | 5,782                    | 214,501                     | 105,092                     |
| Transfers between funds           | 22    | 44,111                     | (44,111)                 | -                           | -                           |
| Net movement in funds             |       | 252,830                    | (38,329)                 | 214,501                     | 105,092                     |
| RECONCILIATION OF FUNDS           |       |                            |                          |                             |                             |
| Total funds brought forward       |       | 4,107,945                  | 45,950                   | 4,153,895                   | 4,048,803                   |
| TOTAL FUNDS CARRIED FORWARD       |       | 4,360,775                  | 7,621                    | 4,368,396                   | 4,153,895                   |

The notes form part of these financial statements

BALANCE SHEET  
31ST MARCH 2021

|                                                  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2021<br>Total<br>funds<br>£ | 2020<br>Total<br>funds<br>£ |
|--------------------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>FIXED ASSETS</b>                              |       |                            |                          |                             |                             |
| Tangible assets                                  | 15    | 4,662,654                  | -                        | 4,662,654                   | 4,487,518                   |
| Investments                                      | 16    | 731,993                    | -                        | 731,993                     | 559,271                     |
| Investment property                              | 17    | 1                          | -                        | 1                           | 1                           |
|                                                  |       | <u>5,394,648</u>           | <u>-</u>                 | <u>5,394,648</u>            | <u>5,046,790</u>            |
| <b>CURRENT ASSETS</b>                            |       |                            |                          |                             |                             |
| Debtors                                          | 18    | 62,070                     | -                        | 62,070                      | 126,120                     |
| Cash at bank and in hand                         |       | <u>238,803</u>             | <u>7,621</u>             | <u>246,424</u>              | <u>482,185</u>              |
|                                                  |       | <u>300,873</u>             | <u>7,621</u>             | <u>308,494</u>              | <u>608,305</u>              |
| <b>CREDITORS</b>                                 |       |                            |                          |                             |                             |
| Amounts falling due within one year              | 19    | (102,268)                  | -                        | (102,268)                   | (258,402)                   |
| <b>NET CURRENT ASSETS</b>                        |       | <u>198,605</u>             | <u>7,621</u>             | <u>206,226</u>              | <u>349,903</u>              |
| <b>TOTAL ASSETS LESS CURRENT<br/>LIABILITIES</b> |       | <u>5,593,253</u>           | <u>7,621</u>             | <u>5,600,874</u>            | <u>5,396,693</u>            |
| <b>CREDITORS</b>                                 |       |                            |                          |                             |                             |
| Amounts falling due after more than one<br>year  | 20    | (1,232,478)                | -                        | (1,232,478)                 | (1,242,798)                 |
| <b>NET ASSETS</b>                                |       | <u>4,360,775</u>           | <u>7,621</u>             | <u>4,368,396</u>            | <u>4,153,895</u>            |
| <b>FUNDS</b>                                     | 22    |                            |                          |                             |                             |
| Unrestricted funds                               |       |                            |                          | 4,360,775                   | 4,107,945                   |
| Restricted funds                                 |       |                            |                          | <u>7,621</u>                | <u>45,950</u>               |
| <b>TOTAL FUNDS</b>                               |       |                            |                          | <u>4,368,396</u>            | <u>4,153,895</u>            |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

BALANCE SHEET - continued  
31ST MARCH 2021

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These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 8th December 2021 and were signed on its behalf by:

B M Nealon - Trustee

RYE, WINCHELSEA AND DISTRICT  
MEMORIAL HOSPITAL LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2021

|                                                                    | Notes | 2021<br>£ | 2020<br>£   |
|--------------------------------------------------------------------|-------|-----------|-------------|
| Cash flows from operating activities                               |       |           |             |
| Cash generated from operations                                     | 1     | 104,355   | 126,876     |
| Net cash provided by operating activities                          |       | 104,355   | 126,876     |
| Cash flows from investing activities                               |       |           |             |
| Purchase of tangible fixed assets                                  |       | (296,408) | (1,397,052) |
| Purchase of fixed asset investments                                |       | (189,129) | (111,659)   |
| Sale of fixed asset investments                                    |       | 134,592   | 103,128     |
| Interest received                                                  |       | 63        | 5,589       |
| Dividends received                                                 |       | 10,766    | 14,605      |
| Net cash used in investing activities                              |       | (340,116) | (1,385,389) |
| Change in cash and cash equivalents in the reporting period        |       | (235,761) | (1,258,513) |
| Cash and cash equivalents at the beginning of the reporting period |       | 482,185   | 1,740,698   |
| Cash and cash equivalents at the end of the reporting period       |       | 246,424   | 482,185     |

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2021

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

|                                                                                    | 2021<br>£      | 2020<br>£      |
|------------------------------------------------------------------------------------|----------------|----------------|
| Net income for the reporting period (as per the Statement of Financial Activities) | 214,501        | 105,092        |
| Adjustments for:                                                                   |                |                |
| Depreciation charges                                                               | 121,271        | 92,415         |
| (Gain)/losses on investments                                                       | (118,186)      | 38,309         |
| Interest received                                                                  | (63)           | (5,589)        |
| Dividends received                                                                 | (10,766)       | (14,605)       |
| Decrease in debtors                                                                | 64,050         | 17,322         |
| Decrease in creditors                                                              | (166,452)      | (106,068)      |
| Net cash provided by operations                                                    | <u>104,355</u> | <u>126,876</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

|                          | At 1/4/20<br>£ | Cash flow<br>£   | At 31/3/21<br>£ |
|--------------------------|----------------|------------------|-----------------|
| Net cash                 |                |                  |                 |
| Cash at bank and in hand | <u>482,185</u> | <u>(235,761)</u> | <u>246,424</u>  |
|                          | <u>482,185</u> | <u>(235,761)</u> | <u>246,424</u>  |
| Total                    | <u>482,185</u> | <u>(235,761)</u> | <u>246,424</u>  |

1. STATUTORY INFORMATION

Rye, Winchelsea and District Memorial Hospital Limited is a private charitable company limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the reference and administrative details in the Report of the Trustees.

2. 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.

**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.

Fees, contributions and grants comprise of amounts receivable during the year.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

The value of donated items is recognised when the associated raffle or auction has taken place through the receipt of funds from these events.

The valuable time given by volunteers towards the charities objectives is not valued for the purposes of these financial statements.

Investment income is recognised in the financial statements when receivable.

The lease premium income has been deferred over the period of the lease on a straight line basis.

**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.

Costs in furtherance of the charitable objectives are those that relate directly to the upkeep and maintenance of the hospital including salaries.

Fundraising expenditure represents the direct costs of fundraising and includes the salaries and other direct costs of fundraising staff. Publicity costs directly related to fundraising are included in the fundraising costs.

Management and administration costs include office costs and other expenditure including salaries.

## 2. ACCOUNTING POLICIES - continued

### Tangible fixed assets

Fixed assets are recorded at cost or, in cases where assets have been donated, at the valuation at the time of the acquisition.

Depreciation is provided at the following annual rates in order to write off each assets over its useful economic life:

|                                          |                                          |
|------------------------------------------|------------------------------------------|
| Freehold buildings                       | - straight line over 100 years           |
| Freehold buildings - refurbishment costs | - 10% or 20% on cost                     |
| Assets in the course of construction     | - not depreciated until brought into use |
| Furniture and equipment                  | - 10% on cost                            |

No depreciation is provided on freehold land.

### Investments

Listed investments are included at market value at the year end. Gains and losses on disposal and revaluation of investments are charged or credited to the Statement of Financial Activities.

### Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

### Taxation

The charity is exempt from corporation 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.

In the trustees opinion, where no restrictions are placed, the incoming resources and resources expended are all derived for the benefit of running the hospital premises. Therefore the trustees choose to classify this income and expenditure as unrestricted.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid at the year end after taking account of any trade discounts due.

### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### Pension costs and other post-retirement benefits

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

3. DONATIONS AND LEGACIES

|              | 2021           | 2020           |
|--------------|----------------|----------------|
|              | £              | £              |
| Donations    | 23,560         | 58,880         |
| Gift aid     | 3,117          | 2,459          |
| Legacies     | 155,778        | 50,040         |
| Grants       | 6,403          | -              |
| Other income | 4,824          | 3,742          |
|              | <u>193,682</u> | <u>115,121</u> |

Grants received, included in the above, are as follows:

|             | 2021         | 2020     |
|-------------|--------------|----------|
|             | £            | £        |
| CJRS grants | <u>6,403</u> | <u>-</u> |

4. OTHER TRADING ACTIVITIES

|                      | 2021          | 2020          |
|----------------------|---------------|---------------|
|                      | £             | £             |
| Fundraising events   | 2,887         | 19,867        |
| Hub on the Hill Cafe | 10,855        | -             |
|                      | <u>13,742</u> | <u>19,867</u> |

5. INVESTMENT INCOME

|                          | 2021          | 2020          |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Fixed asset investments  | 10,766        | 14,605        |
| Deposit account interest | 63            | 5,589         |
|                          | <u>10,829</u> | <u>20,194</u> |

6. INCOME FROM CHARITABLE ACTIVITIES

|                                     | Activity        | 2021           | 2020           |
|-------------------------------------|-----------------|----------------|----------------|
|                                     |                 | £              | £              |
| Running costs recharged to the ESHT | Premises costs  | 149,725        | 132,480        |
| ESHT rent and management charges    | Premises costs  | 134,426        | 122,000        |
| Other rents receivable              | Premises costs  | 80,531         | 79,553         |
| Other costs recharged               | Premises costs  | 3,741          | 852            |
| Licence fees                        | Hub on the Hill | 12,910         | -              |
|                                     |                 | <u>381,333</u> | <u>334,885</u> |

7. RAISING FUNDS

Raising donations and legacies

|                         | 2021         | 2020          |
|-------------------------|--------------|---------------|
|                         | £            | £             |
| Staff costs             | 4,528        | 8,530         |
| Other fundraising costs | 821          | 12,878        |
| Support costs           | -            | 900           |
|                         | <u>5,349</u> | <u>22,308</u> |

Other trading activities

|           | 2021          | 2020     |
|-----------|---------------|----------|
|           | £             | £        |
| Purchases | <u>12,081</u> | <u>-</u> |

Investment management costs

|                      | 2021         | 2020         |
|----------------------|--------------|--------------|
|                      | £            | £            |
| Portfolio management | <u>5,329</u> | <u>3,949</u> |

Aggregate amounts

|  | 2021          | 2020          |
|--|---------------|---------------|
|  | <u>22,759</u> | <u>26,257</u> |

8. CHARITABLE ACTIVITIES COSTS

|                 | Direct<br>Costs (see<br>note 9) | Support<br>costs (see<br>note 10) | Totals         |
|-----------------|---------------------------------|-----------------------------------|----------------|
|                 | £                               | £                                 | £              |
| Premises costs  | 340,058                         | 66,868                            | 406,926        |
| Grants payable  | 5,300                           | -                                 | 5,300          |
| Hub on the Hill | 59,961                          | 5,395                             | 65,356         |
|                 | <u>405,319</u>                  | <u>72,263</u>                     | <u>477,582</u> |

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

|                                              | 2021           | 2020           |
|----------------------------------------------|----------------|----------------|
|                                              | £              | £              |
| Staff costs                                  | 96,562         | 61,798         |
| Rates and water                              | 1,574          | -              |
| Insurance                                    | 1,605          | -              |
| Light and heat                               | 7,863          | -              |
| Telephone                                    | 1,998          | -              |
| Advertising                                  | 415            | -              |
| Running costs recharged to the ESHT          | 97,031         | 82,037         |
| Contribution to Sara Lee Trust running costs | 5,300          | 5,300          |
| Running costs not recharged                  | 43,768         | 37,516         |
| Maintenance                                  | 11,000         | -              |
| Licences                                     | 1,473          | -              |
| Cleaning                                     | 7,111          | -              |
| Donations                                    | 8,348          | 6,322          |
| Depreciation                                 | 121,271        | 92,415         |
|                                              | <u>405,319</u> | <u>285,388</u> |

10. SUPPORT COSTS

|                          | Management    | Governance    | Totals        |
|--------------------------|---------------|---------------|---------------|
|                          | £             | costs         | £             |
| Other resources expended | -             | 2,930         | 2,930         |
| Premises costs           | 54,044        | 12,824        | 66,868        |
| Hub on the Hill          | 4,796         | 599           | 5,395         |
|                          | <u>58,840</u> | <u>16,353</u> | <u>75,193</u> |

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

Management

|                         | Premises      | Hub on       | 2021          | 2020          |
|-------------------------|---------------|--------------|---------------|---------------|
|                         | costs         | the Hill     | Total         | Total         |
|                         | £             | £            | activities    | activities    |
|                         | £             | £            | £             | £             |
| Wages                   | 38,146        | -            | 38,146        | 9,595         |
| Social security         | 2,814         | -            | 2,814         | 729           |
| Pensions                | 548           | -            | 548           | 288           |
| Repairs and maintenance | 2,517         | -            | 2,517         | 640           |
| Office costs            | 5,321         | -            | 5,321         | 1,894         |
| Other expenses          | 4,698         | 4,796        | 9,494         | 5,370         |
|                         | <u>54,044</u> | <u>4,796</u> | <u>58,840</u> | <u>18,516</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2021

10. SUPPORT COSTS - continued  
Governance costs

|                                              |                                     |                        |                         | 2021                     | 2020                     |
|----------------------------------------------|-------------------------------------|------------------------|-------------------------|--------------------------|--------------------------|
|                                              | Other<br>resources<br>expended<br>£ | Premises<br>costs<br>£ | Hub on<br>the Hill<br>£ | Total<br>activities<br>£ | Total<br>activities<br>£ |
| Auditors' remuneration                       | -                                   | 5,200                  | -                       | 5,200                    | 3,660                    |
| Auditors' remuneration<br>for non audit work | 2,930                               | -                      | -                       | 2,930                    | 2,760                    |
| Bank charges                                 | -                                   | 93                     | 139                     | 232                      | 78                       |
| Legal fees                                   | -                                   | 7,531                  | 460                     | 7,991                    | 10,907                   |
|                                              | <u>2,930</u>                        | <u>12,824</u>          | <u>599</u>              | <u>16,353</u>            | <u>17,405</u>            |

11. NET INCOME/(EXPENDITURE)

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

|                                           | 2021<br>£    | 2020<br>£    |
|-------------------------------------------|--------------|--------------|
| Auditors' remuneration                    | 5,200        | 3,660        |
| Auditors' remuneration for non audit work | 2,930        | 2,760        |
| Depreciation - owned assets               | 121,272      | 92,415       |
| Accountancy recharged to tenants          | <u>6,305</u> | <u>6,225</u> |

12. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2021 nor for the year ended 31st March 2020.

13. STAFF COSTS

|                       | 2021<br>£      | 2020<br>£     |
|-----------------------|----------------|---------------|
| Wages and salaries    | 130,863        | 73,204        |
| Social security costs | 9,317          | 6,531         |
| Other pension costs   | 2,418          | 1,205         |
|                       | <u>142,598</u> | <u>80,940</u> |

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

|                          | 2021     | 2020     |
|--------------------------|----------|----------|
| Operation of the charity | 3        | 3        |
| Operation of Hub         | 3        | -        |
|                          | <u>6</u> | <u>3</u> |

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

|                                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|-----------------------------------|----------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM        |                            |                          |                     |
| Donations and legacies            | 69,520                     | 45,601                   | 115,121             |
| Charitable activities             |                            |                          |                     |
| Premises costs                    | 334,885                    | -                        | 334,885             |
| Other trading activities          | 19,867                     | -                        | 19,867              |
| Investment income                 | 20,194                     | -                        | 20,194              |
| Total                             | 444,466                    | 45,601                   | 490,067             |
| EXPENDITURE ON                    |                            |                          |                     |
| Raising funds                     | 26,257                     | -                        | 26,257              |
| Charitable activities             |                            |                          |                     |
| Premises costs                    | 314,119                    | 990                      | 315,109             |
| Grants payable                    | 5,300                      | -                        | 5,300               |
| Total                             | 345,676                    | 990                      | 346,666             |
| Net gains/(losses) on investments | (38,309)                   | -                        | (38,309)            |
| NET INCOME                        | 60,481                     | 44,611                   | 105,092             |
| RECONCILIATION OF FUNDS           |                            |                          |                     |
| Total funds brought forward       | 4,047,464                  | 1,339                    | 4,048,803           |
| TOTAL FUNDS CARRIED FORWARD       | 4,107,945                  | 45,950                   | 4,153,895           |

15. TANGIBLE FIXED ASSETS

|                       | Freehold<br>property<br>£ | Assets in<br>the<br>course of<br>construction<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£ |
|-----------------------|---------------------------|----------------------------------------------------|----------------------------------|-------------|
| <b>COST</b>           |                           |                                                    |                                  |             |
| At 1st April 2020     | 3,293,076                 | 2,104,709                                          | 189,750                          | 5,587,535   |
| Additions             | -                         | 236,088                                            | 60,320                           | 296,408     |
| Reclassification      | 2,340,797                 | (2,340,797)                                        | -                                | -           |
| At 31st March 2021    | 5,633,873                 | -                                                  | 250,070                          | 5,883,943   |
| <b>DEPRECIATION</b>   |                           |                                                    |                                  |             |
| At 1st April 2020     | 944,751                   | -                                                  | 155,266                          | 1,100,017   |
| Charge for year       | 106,235                   | -                                                  | 15,037                           | 121,272     |
| At 31st March 2021    | 1,050,986                 | -                                                  | 170,303                          | 1,221,289   |
| <b>NET BOOK VALUE</b> |                           |                                                    |                                  |             |
| At 31st March 2021    | 4,582,887                 | -                                                  | 79,767                           | 4,662,654   |
| At 31st March 2020    | 2,348,325                 | 2,104,709                                          | 34,484                           | 4,487,518   |

Included in cost or valuation of land and buildings is freehold land of £273,266 (2020 - £273,266) which is not depreciated.

16. FIXED ASSET INVESTMENTS

|                       | Listed<br>investments<br>£ | Cash held<br>for<br>investments<br>£ | Totals<br>£ |
|-----------------------|----------------------------|--------------------------------------|-------------|
| <b>MARKET VALUE</b>   |                            |                                      |             |
| At 1st April 2020     | 450,093                    | 109,178                              | 559,271     |
| Additions             | 188,897                    | -                                    | 188,897     |
| Disposals             | (35,761)                   | (97,028)                             | (132,789)   |
| Revaluations          | 116,614                    | -                                    | 116,614     |
| At 31st March 2021    | 719,843                    | 12,150                               | 731,993     |
| <b>NET BOOK VALUE</b> |                            |                                      |             |
| At 31st March 2021    | 719,843                    | 12,150                               | 731,993     |
| At 31st March 2020    | 450,093                    | 109,178                              | 559,271     |

There were no investment assets outside the UK.

Cost or valuation at 31st March 2021 is represented by:

|      | Listed<br>investments<br>£ | Cash held<br>for<br>investments<br>£ | Totals<br>£ |
|------|----------------------------|--------------------------------------|-------------|
| Cost | 719,843                    | 12,150                               | 731,993     |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2021

17. INVESTMENT PROPERTY

|                     | £              |
|---------------------|----------------|
| FAIR VALUE          |                |
| At 1st April 2020   |                |
| and 31st March 2021 | <u>492,744</u> |
| AMORTISATION        |                |
| At 1st April 2020   |                |
| and 31st March 2021 | <u>492,743</u> |
| NET BOOK VALUE      |                |
| At 31st March 2021  | <u>1</u>       |
| At 31st March 2020  | <u>1</u>       |

Included in investment property is freehold land valued at £1 (2020 - £1).

The freehold land acquired during the year ended 31 March 2019 was subsequently leased to a Trust for a period of 125 years for the construction and running of a care home, at a premium of £1,060,000. In the Trustees' opinion the land has no open market value and its fair value has therefore been reduced to £1.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                | 2021          | 2020           |
|--------------------------------|---------------|----------------|
|                                | £             | £              |
| Trade debtors                  | 11,940        | 56,982         |
| VAT                            | 22,396        | 46,237         |
| Prepayments and accrued income | <u>27,734</u> | <u>22,901</u>  |
|                                | <u>62,070</u> | <u>126,120</u> |

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 2021           | 2020           |
|---------------------------------|----------------|----------------|
|                                 | £              | £              |
| Social security and other taxes | 1,877          | 1,500          |
| Other creditors                 | 90,071         | 246,582        |
| Deferred income                 | <u>10,320</u>  | <u>10,320</u>  |
|                                 | <u>102,268</u> | <u>258,402</u> |

The company acquired the freehold land on 6 October 2006 at a cost of £250,000. A proportion of this has been leased to a GP practice on a 125 year lease at a premium of £230,000.

On 6 November 2018 the company leased a further area of freehold land to a Trust for the construction of a care home at a premium of £1,060,000, for a period of 125 years.

The above premiums have been deferred and are being released to the Statement of Financial Activities on a straight line basis over the term of the lease. The deferred elements are shown within other creditors both in short term and creditors, amounts falling due after more than one year.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2021

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

|                 | 2021<br>£        | 2020<br>£        |
|-----------------|------------------|------------------|
| Deferred income | <u>1,232,478</u> | <u>1,242,798</u> |

21. LEASING AGREEMENTS

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

|                 | 2021<br>£    | 2020<br>£    |
|-----------------|--------------|--------------|
| Within one year | <u>1,260</u> | <u>1,125</u> |

Lease payments recognised as an expense in the year were £1,500 (2020: £1,500)

22. MOVEMENT IN FUNDS

|                      | At 1/4/20<br>£   | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/21<br>£ |
|----------------------|------------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds   |                  |                                  |                                    |                    |
| General fund         | 1,319,449        | 329,990                          | (1,951,318)                        | (301,879)          |
| Fixed assets         | <u>2,788,496</u> | <u>(121,271)</u>                 | <u>1,995,429</u>                   | <u>4,662,654</u>   |
|                      | 4,107,945        | 208,719                          | 44,111                             | 4,360,775          |
| Restricted funds     |                  |                                  |                                    |                    |
| Nurses fund          | 1,778            | 782                              | -                                  | 2,560              |
| District nurses fund | 61               | -                                | -                                  | 61                 |
| Equipment fund       | -                | 5,000                            | -                                  | 5,000              |
| Hub                  | <u>44,111</u>    | <u>-</u>                         | <u>(44,111)</u>                    | <u>-</u>           |
|                      | 45,950           | 5,782                            | (44,111)                           | 7,621              |
| <b>TOTAL FUNDS</b>   | <u>4,153,895</u> | <u>214,501</u>                   | <u>-</u>                           | <u>4,368,396</u>   |

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

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 592,936                    | (381,132)                  | 118,186                  | 329,990                   |
| Fixed assets       | <u>-</u>                   | <u>(121,271)</u>           | <u>-</u>                 | <u>(121,271)</u>          |
|                    | 592,936                    | (502,403)                  | 118,186                  | 208,719                   |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 1,650                      | (868)                      | -                        | 782                       |
| Equipment fund     | <u>5,000</u>               | <u>-</u>                   | <u>-</u>                 | <u>5,000</u>              |
|                    | 6,650                      | (868)                      | -                        | 5,782                     |
| <b>TOTAL FUNDS</b> | <u>599,586</u>             | <u>(503,271)</u>           | <u>118,186</u>           | <u>214,501</u>            |

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

|                      | At 1/4/19<br>£          | Net<br>movement<br>in funds<br>£ | At<br>31/3/20<br>£      |
|----------------------|-------------------------|----------------------------------|-------------------------|
| Unrestricted funds   |                         |                                  |                         |
| General fund         | 1,166,553               | 152,896                          | 1,319,449               |
| Fixed assets         | 2,880,911               | (92,415)                         | 2,788,496               |
|                      | <u>4,047,464</u>        | <u>60,481</u>                    | <u>4,107,945</u>        |
| Restricted funds     |                         |                                  |                         |
| Nurses fund          | 1,278                   | 500                              | 1,778                   |
| District nurses fund | 61                      | -                                | 61                      |
| Hub                  | -                       | 44,111                           | 44,111                  |
|                      | <u>1,339</u>            | <u>44,611</u>                    | <u>45,950</u>           |
| <b>TOTAL FUNDS</b>   | <u><u>4,048,803</u></u> | <u><u>105,092</u></u>            | <u><u>4,153,895</u></u> |

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

|                    | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| General fund       | 444,466                    | (253,261)                  | (38,309)                 | 152,896                   |
| Fixed assets       | -                          | (92,415)                   | -                        | (92,415)                  |
|                    | <u>444,466</u>             | <u>(345,676)</u>           | <u>(38,309)</u>          | <u>60,481</u>             |
| Restricted funds   |                            |                            |                          |                           |
| Nurses fund        | 1,490                      | (990)                      | -                        | 500                       |
| Hub                | 44,111                     | -                          | -                        | 44,111                    |
|                    | <u>45,601</u>              | <u>(990)</u>               | <u>-</u>                 | <u>44,611</u>             |
| <b>TOTAL FUNDS</b> | <u><u>490,067</u></u>      | <u><u>(346,666)</u></u>    | <u><u>(38,309)</u></u>   | <u><u>105,092</u></u>     |

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2021

22. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

|                           | At 1/4/19<br>£   | Net<br>movement<br>in funds<br>£ | Transfers<br>between<br>funds<br>£ | At<br>31/3/21<br>£ |
|---------------------------|------------------|----------------------------------|------------------------------------|--------------------|
| <b>Unrestricted funds</b> |                  |                                  |                                    |                    |
| General fund              | 1,166,553        | 482,886                          | (1,951,318)                        | (301,879)          |
| Fixed assets              | 2,880,911        | (213,686)                        | 1,995,429                          | 4,662,654          |
|                           | <u>4,047,464</u> | <u>269,200</u>                   | <u>44,111</u>                      | <u>4,360,775</u>   |
| <b>Restricted funds</b>   |                  |                                  |                                    |                    |
| Nurses fund               | 1,278            | 1,282                            | -                                  | 2,560              |
| District nurses fund      | 61               | -                                | -                                  | 61                 |
| Equipment fund            | -                | 5,000                            | -                                  | 5,000              |
| Hub                       | -                | 44,111                           | (44,111)                           | -                  |
|                           | <u>1,339</u>     | <u>50,393</u>                    | <u>(44,111)</u>                    | <u>7,621</u>       |
| <b>TOTAL FUNDS</b>        | <u>4,048,803</u> | <u>319,593</u>                   | <u>-</u>                           | <u>4,368,396</u>   |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Gains and<br>losses<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                          |                           |
| General fund              | 1,037,402                  | (634,393)                  | 79,877                   | 482,886                   |
| Fixed assets              | -                          | (213,686)                  | -                        | (213,686)                 |
|                           | <u>1,037,402</u>           | <u>(848,079)</u>           | <u>79,877</u>            | <u>269,200</u>            |
| <b>Restricted funds</b>   |                            |                            |                          |                           |
| Nurses fund               | 3,140                      | (1,858)                    | -                        | 1,282                     |
| Equipment fund            | 5,000                      | -                          | -                        | 5,000                     |
| Hub                       | 44,111                     | -                          | -                        | 44,111                    |
|                           | <u>52,251</u>              | <u>(1,858)</u>             | <u>-</u>                 | <u>50,393</u>             |
| <b>TOTAL FUNDS</b>        | <u>1,089,653</u>           | <u>(849,937)</u>           | <u>79,877</u>            | <u>319,593</u>            |

Fixed assets have been separately designated to show the free reserves position at the balance sheet date.

Amounts donated to the Nurses by patients, relatives and friends, are held in a separate fund. This is spent on refreshments and an annual party. Similarly there is a fund for the District Nurses.

The equipment fund represents donations made to the charity to purchase small items of equipment to assist with patient services. Transfers from this fund to the designated fixed assets fund represent funds which have been fully expended, the terms of restriction applied have been met and the associated fixed assets are an integral part of the fixed assets of the charity.

The hub fund represents donations made to the charity to help towards the construction and fitting out of the new community hub, which finished construction shortly after the year end.

23. CAPITAL COMMITMENTS

At the year end, the charity had committed to spending a further £nil (2020: £220,347) with regards to the building of the day care centre (The Hub).

At the year end the board had committed to the purchase of medical equipment totalling £40,000 during the forthcoming year to 31 March 2022, although the order had not been made by 31 March 2021.

24. RELATED PARTY DISCLOSURES

Mr B Nealon, a trustee, is the chairman of Rye & District Community Transport, a charity that Rye, Winchelsea And District Memorial Hospital donated £8,000 (2020: £5,000) to in the year.

Total donations received from trustees in the year without conditions was £315 (2020: £426). Total donations received with conditions was £5,000 (2020 - Nil).

25. ULTIMATE CONTROLLING PARTY

The charity is controlled by the board of trustees.

26. CONTINGENT ASSETS

At the year end the charity had been notified of legacies where the value of the estates or settlement were uncertain. Therefore no amount has been accrued in respect of these legacies which are estimated to be between £75,000 and £200,000.