

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

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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 - Chairman  
Mrs S Compton - Vice Chairman (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

#### 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                         |       | 238,803                    | 7,621                    | 246,424                     | 482,185                     |
|  |       | <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> |       | 5,593,253                  | 7,621                    | 5,600,874                   | 5,396,693                   |
| <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                                 |       |                            |                          | 7,621                       | 45,950                      |
| <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<br>£      | 2020<br>£      |
|--|----------------|----------------|
| 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<br>£ | Governance<br>costs<br>£ | Totals<br>£   |
|--------------------------|-----------------|--------------------------|---------------|
| 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<br>costs<br>£ | Hub on<br>the Hill<br>£ | 2021<br>Total<br>activities<br>£ | 2020<br>Total<br>activities<br>£ |
|-------------------------|------------------------|-------------------------|----------------------------------|----------------------------------|
| 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>                    |

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     |

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.

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>     |

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>£ |
|----------------------|------------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds   |                  |                                  |                                    |                    |
| 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>   |
| Restricted funds     |                  |                                  |                                    |                    |
| 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>       |
| TOTAL FUNDS          | <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>£ |
|--------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds |                            |                            |                          |                           |
| 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>            |
| Restricted funds   |                            |                            |                          |                           |
| 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>             |
| TOTAL FUNDS        | <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.