HUGH SEXEY'S HOSPITAL

England & Wales · Charity number 1130351

Details

Status	Registered
Legal form	Charitable company
Company number	06906918
Registered	2009-06-25
Register	View on the Charity Commission register

Contact

Address	The Master's Office Sexeys Hospital Bruton Somerset BA10 0AS
Phone	01749 814998
Email	magister@hshbruton.co.uk
Website	https://www.sexeyshospital.org/

Activities

Objects: 1 THE PROVISION OF HOUSING ACCOMMODATION IN THE ALMSHOUSES KNOWN AS HUGH SEXEY'S HOSPITAL, BRUTON, FOR ELDERLY PEOPLE (THE 'RESIDENTS') WHO ARE IN NEED, HARDSHIP OR DISTRESS2 SUCH CHARITABLE PURPOSES FOR THE BENEFIT OF THE RESIDENTS AS THE VISITORS DECIDE (AND IN THIS MEMORANDUM THE TERM 'VISITOR' SHALL MEAN A TRUSTEE OF THE CHARITY3 SUCH OTHER CHARITABLE PURPOSES AS THE VISITORS DECIDE

Activities: The main objects of the Hospital are -The provision of housing accommodation in the almshouses known as Hugh Sexey's Hospital, Bruton, for elderly people (the 'residents') who are in need, hardship or distress - Such charitable purposes for the benefit of the residents as the Visitors (trustees) decide - Such other charitable purposes as the Visitors decide

Classification

- **How:** Makes Grants To Organisations, Provides Services
- **What:** The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies

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Geography

- **Area of benefit:** HUGH SEXEY'S HOSPITAL, BRUTON
- Somerset

Finances

Period end	Income	Expenditure	Assets	Employees
2024-10-31	£729,408	£1,047,592	£21,380,732	5
2023-10-31	£586,182	£1,101,722	£20,994,125	5
2022-10-31	£537,646	£712,714	£19,919,313	5
2021-10-31	£562,911	£767,260	£20,087,948	5
2020-10-31	£769,714	£1,624,137	£16,915,955	5

Trustees

Name	Role	Appointed
Nicholas William Adrian Mann	Chair	2025-01-17
DR Susanna Davidson		2018-01-12
Dan Lloyd Bradshaw		2021-07-30
Emily Showering		2020-01-10
Ian Frankland Hepburn		2019-10-11
Jonathan Duffy		2025-10-03
Julia de Salis		2021-07-30
Mary-Clare Helene Rodwell		2022-10-07
Matthew Patrick Rawlingson-Plant		2023-04-21
Melinda Baker		2025-01-17
RUPERT HAYDON WHITE		2022-10-07
Robert Edward Rolland Bond		2019-10-11

Linked charities

- HUGH SEXEY'S HOSPITAL (1130351-1)

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HUGH SEXEY'S HOSPITAL

England & Wales - Charity number 1130351

Accounts

HUGH SEXEY'S HOSPITAL



REPORT OF THE VISITORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

Company Registration Number 06906918

Charity Registration Number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

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HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2024

The trustees, who are known as the Visitors, are pleased to present their annual report together with the financial statements of the charity for the year ending 31 October 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Office	Hugh Sexey's Hospital, High Street, Bruton, Somerset, BA10 0AS

Visitors (all are Trustees, and Directors of the charitable company):

James Buxton (Chairman)	Lucinda Sunnucks (Resigned 5 December 2024)
Edward Bond	Dr Susanna Davidson
Ian Hepburn	Edward Hobhouse (Resigned 4 April 2025)
Susanna Deverell (Resigned 5 March 2024)	Emily Showering
Ann Lee	Julia de Salis
Dan Bradshaw	Rupert White
Mary Clare Rodwell	Janet Montgomery (Resigned 24 April 2025)
Matthew Rawlingson-Plant	
Melinda Baker (Appointed 17 January 2025)	Nicholas Mann (Appointed 17 January 2025)

Officers and Advisors

The Master	Helen Rogerson
Finance and Administration	The Trust Partnership 6 Trull Farm Buildings, Tetbury, Glos.
Land Agents	Fowler Fortescue The Old Dairy, Fonthill Bishop, Salisbury.
Investment Advisers	Sarasin & Partners LLP Juxon House, 100 St Paul Churchyard, London.
Bankers	CAFBank Ltd, 25 Kings Hill Avenue, West Malling, Kent.
Auditors	Sumer Auditco Limited, County Gate, County Way, Trowbridge, Wiltshire, BA14 7FJ
Solicitors	Loxleys, Langford Mill, Wotton-Under-Edge, Glos. Stone King, Upper Borough Court, Bath

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HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Hugh Sexey's Hospital is a charitable company incorporated and registered with the Charity Commission (1130351) on 15 May 2009. The charity is administered in accordance with a Charity Commission Scheme dated 23 November 2009. The charitable company known as Hugh Sexey's Hospital (company registration 06906918) is limited by guarantee and was registered on 12 May 2009.

The Trustees of the charity, who are known as the Visitors, are also all directors of the charitable company. There are currently fifteen Visitors, which allows for succession planning and a diverse skill set commensurate with the charity's wide range of investments, which include an estate gifted by the original benefactor, Hugh Sexey, in 1638. Visitors are appointed in accordance with the provisions of the charitable company's Articles. All Visitors give their time voluntarily and receive no benefits from the charitable company.

As part of the induction process, new Visitors are briefed on the background and history of the Hospital and their responsibilities under charity law by the Chairman and the Master. A file of relevant documents is provided and all Visitors are encouraged to attend The Almshouse Association Seminars and take part in ad-hoc webinars provided by a number of organisations.

The Visitors, who are all unremunerated, meet four times a year; there are sub-committees covering House (Residents), Buildings, Finance, Estate matters. The Visitors receive regular reports from the Master, Finance Manager, Land Agents, and Investment Advisers, and make all policy decisions.

There are six staff members: the Master (who acts as the operational manager), Warden, Assistant Warden, Housekeeper and Gardener who are all employed within the Hospital. Their remuneration is reviewed annually by the Visitors, taking into account rates of inflation, changes in their roles and responsibilities and comparison to remuneration levels for similar roles in other organisations. There is also a house-for-duty Chaplain who resides on the Hospital site for the majority of the year.

The Visitors have undertaken a complete review of arrangements relating to risk management in the following areas:

- Governance
- Operational Matters
- Financial Matters
- Compliance Matters
- Environmental and External Factors

The charity is a member of The Almshouse Association.

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2024

OBJECTIVES AND ACTIVITIES

The Object of the charity is to provide almshouse accommodation for eligible beneficiaries within the area of benefit which includes Bruton and named parishes. Eligibility includes local older people in need. Applicants living outside the area of benefice may be offered accommodation at the Hospital but their overall number is restricted. The use of the word Hospital refers to the historic term for an almshouse and has no relevance to the accommodation provided today.

The Hospital maintains a list of expressions of interest from applicants, and empty flats are allocated to those most in need at the time a flat becomes vacant. As flats become vacant, a review takes place by the Master, and modernisation is undertaken in line with the most recent regulations.

Further Objects are charitable purposes for the benefit of residents and other such charitable purposes as the Visitors decide.

The Visitors fulfil these objectives by administering the Almshouses, which provide subsidised accommodation in twenty-six flats within the Hospital buildings, fostering the schools established by the founder of the Hospital, and making donations for charitable purposes, mainly for the benefit and well-being of the young and the elderly or to other charities with similar objectives.

Activities central to the provision of the almshouses include measures to ensure resident welfare, through the provision of a warden, regular contact and fostering community spirit. Ensuring that vacant flats are re-allocated within as short a time as possible commensurate with refurbishing where necessary. Maintaining the almshouse buildings, which are listed or within the curtilage of a listed building, and ensuring they remain fit for purpose. Managing the investment portfolio and the endowment properties on the estate to ensure maximum income for the almshouses and the charitable purposes.

Public Benefit

The Visitors have reviewed the Charity Commission's guidance on the requirement to report on public benefit. They are satisfied that the work of the Hospital in providing almshouses, as described above, accords with its stated objects and provides tangible public benefit to those eligible within the area stipulated within the governing document. There are no voids within the almshouse and residents are allocated accommodation following an application process where the resident in greatest need is offered accommodation at the time a vacancy arises.

Weekly Maintenance Contributions are paid by residents. Occupation is by way of a beneficiary licence. Levels of contributions are set by the Visitors taking into account comparable charges such as the Valuation Office Equivalent Fair Rent and the specimen outline budget from The Almshouse Association.

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2024

ACHIEVEMENTS AND PERFORMANCE

Voids (empty flats) throughout the year were minimal and the charity maintains a list of applications so that empty properties can be turned around as quickly as possible.

Increases in all areas of Hospital expenditure continue to be a concern, particularly for maintenance & repair issues and energy.

Quinquennial repairs and refurbishment have continued through the year, where possible concentrating on external works, mostly masonry repairs, for which considerable resources have been applied.

A Giving Committee normally agrees the Hospital's policy for external donations, in compliance with the third of the Hospital's objects, and distributes funds accordingly. However, in view of the high level of expenditure in the previous and current year, no further amounts have been allocated for giving. Those amounts that have been gifted are at a minimal level.

In the summer of 2023, in line with good practice, the charity invested in a full review of its Governance arrangements for which an external consultant was engaged following presentations from three suppliers. The review included areas such as:

- The recruitment and induction of new Trustees
- The number of Trustees
- Terms of office for Trustees
- The number of meetings and sub-committees
- Risk Management
- Staffing
- Residents
- Hospital Buildings
- Strategic Planning

Visitors held an away-day in order to consider the content and full implications of the reviewer's report including the recommendations. Since that time, an action plan was compiled which has led to changes in practice and the implementation of several new policies. Strategic planning remains a focus for the board and a number of opportunities are being considered, with a view to extending the valuable work of the charity in providing accommodation to those in need. The Visitors are concentrating more on the strategic direction of the charity and less on the operational aspects which are mostly delegated to the Master.

The way in which resident contributions are calculated is under review, to ensure that the charity's approach to charges is transparent and equitable.

The condition of investment properties is regularly reviewed and the necessary resources are applied for repairs and improvement in order to ensure the assets are maintained to an acceptable standard.

In the interests of best value, the charity has secured a long term agreement for its insurance cover. Any valuable contents have undergone a re-valuation exercise to ensure sufficient insurance cover is in place.

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2024

FINANCIAL REVIEW

Financial results

Investment income amounts to £434,940 (2023: £386,894), an increase of £48,046 (12.4%), due to an increase in property income. Residents' contributions were increased by 4.5% from September 2024 and income received increased to £234,472 (2023: £194,487) due to an increase in occupancy rates. After receipt of donations amounting to £9,996 (2023: £4,801), and £50,000 income received in compensation against a contract failure, total income increased by £143,225 to £729,408.

Expenditure on raising funds comprises costs of managing and maintaining the investment properties, managing the investment portfolio, and fundraising towards the Blackford Room, and amounted to £168,206 (2023: £176,640), a decrease of £8,434 which was largely attributable to lower repairs and maintenance costs.

Hospital operating costs have increased by £32,886 to £565,476 (2023: £532,590). Day-to-day running costs have increased by £13,191, due largely to increased costs of staff, and Hospital repair costs have increased by £24,838 to £265,549 – these by their nature fluctuate significantly from year to year, as various repair projects are carried out. Administration and governance costs have increased by £4,040 due to increased administration costs.

External grants to local schools amounted to £932 (2023: £932).

Exceptional costs of £255,463 were incurred in the year (2023: £340,696). The majority of these were the building costs for ongoing development schemes, which amounted to £137,610. In addition, £75,218 was incurred for professional fees for ongoing development schemes, and £42,635 was incurred in connection with future Estate planning matters.

After inclusion of all expenditure, which amounted to £1,047,592 (2023: £1,101,722) including exceptional costs, there was an overall deficit for the year, before inclusion of gains on investments, of £318,184 (2023: £515,540 deficit).

The Estate properties were revalued by the Hospital's Agents, Fowler Fortescue, at 31 October 2024, which gave rise to a gain of £152,304. There was an increase of £552,487 in the value of the investment portfolio (2023: £72,719 increase in value).

After including all expenditure on the Blackford Room and investment gains, overall funds have increased by £386,607 (2023: £1,074,812 increase) and amounted to £21,380,732 (2023: £20,994,125) at the year-end.

The Endowment Fund increased in value by £427,686 (2023: increased by £1,223,861) and amounted to £21,119,861 (2023: £20,692,175) at the year-end.

There was an unrestricted deficit of £41,079 arising in the year (2023: deficit of £149,049), therefore Unrestricted Funds decreased to £260,871 (2023: £301,950).

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2024

Information on Fundraising Agreements with Third Parties (as required by the Charities Act 2016)

No fundraising activities were undertaken during the year.

Heritage Assets - Hospital properties

In 2004 a desktop valuation of the Hospital was carried out, based on existing use values, which attributed a value of £1,100,000 to the Hospital. In view of the historic nature of the buildings and their central place within the activities of the Hospital, the Visitors do not believe that the cost of further revaluations can be justified. In order to ensure that the Hospital properties are kept fully maintained, the Visitors have a policy of undertaking quinquennial reviews of the state of the buildings – this review was carried out during 2018 by the Hospital's architects and a costed programme of works drawn up to cover all matters identified.

In October 2020 the Blackford Room was completed, at a total cost of £1.25m; the Visitors consider that this cost fails to meet the test for capitalisation of expenditure as there is no subsequent economic benefit arising from this expenditure, and no new charitable outputs, so it has been fully written off against Endowment Funds – there was a residual cost of £97,683 which was written off against the Income Fund in the year ended 31 October 2020.

Investments

Hugh Sexey's Hospital is a permanent endowment, with assets held in perpetuity. The investments comprise agricultural and residential properties, which comprise 75% (2023: 76%) of the value of the investments, and an investment portfolio. The Visitors regularly review the constituent parts of the Hospital's endowment, to monitor the balance between the values of the investment properties and the Stock Exchange investments but realise that with fluctuations in values, the ratio will change over time.

Investment Properties

The Visitors employ agents, Fowler Fortescue, to manage their investment properties, known as the Blackford Estate, and a long-term management strategy is being implemented. It is not possible to adopt a Total Asset Return basis for the investment properties as their illiquid nature means it is impossible to withdraw any unrealised gains without disposing of properties. Fowler Fortescue carried out a desktop revaluation of the Estate on an Open Market Value basis at 31 October 2024, valuing the properties at £15,204,399, an increase in value of £152,304 which was credited to the Permanent Endowment Fund. A review of the agents was carried out in 2024 and after a competitive tender exercise, Fowler Fortescue have been reappointed.

Quoted Investment Portfolio

The Visitors adopted in 2011 a Total Return approach to investment management. All investment returns, whether income or realised and unrealised gains and losses, are brought into the Permanent Endowment Fund and the Visitors then agree an annual transfer from the accumulated unapplied total return to the Income Fund, to subsidise the running costs of the Hospital. The Visitors believe this gives a fair balance between the interests of current and future beneficiaries. In 2011 the Permanent Endowment investments were valued at £2,271,405. A further £2,600,619 has subsequently been invested, and cash of £1,290,343 was withdrawn to fund the Blackford Room construction. Therefore, the balance stands at £3,581,681 (2023: £3,731,681).

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FOR THE YEAR ENDED 31 OCTOBER 2024

After discussions with the investment managers the annual transfer to the Income Fund was set at 3% of the opening value of the portfolio (excluding cash balances), or £136,638. Total investment returns in the year amounted to a surplus of £617,482 (2023: surplus of £143,363) - actual income received of £104,920 was slightly less than the target so this amount has been credited to the Income Fund, leaving £480,845 credited to Unapplied Total Return. Therefore, the cumulative balance since the policy was adopted now amounts to £1,303,750 (2023: £822,905). When added to the Capital balance, the closing portfolio has a value of £4,885,431 (2023: £4,554,586).

RESERVES POLICY

At the start of the year, total unrestricted funds were in surplus by £301,950. During the year, unrestricted funds have decreased by £41,079 to amount to £260,871 at the year-end.

Under the terms of the Hospital's governing documents, the Visitors are obliged to maintain the Hospital, which is a Grade I listed building and inalienable, and they believe it prudent to maintain reserves in a designated Building Fund to allow them to cover anticipated repair costs for both the Hospital and the investment properties. Each year, the Visitors consult with the estate manager to consider the amount that should be held in reserves within the Building Fund.

This year, a transfer of £400,000 (2023: £300,000) into the Building Fund was agreed by the Visitors. Expenditure amounted to £307,697, and therefore, taking into account existing reserves within the Fund, it was determined that a transfer of £300,000 was sufficient. As such, this gave rise to a deficit of £7,697, and so the closing Fund balance amounts to £131,427 (2023: £139,124).

The Visitors are of the opinion that the closing balance held within the Building Fund is sufficient to fund foreseeable repair costs, however have set the transfer for 2024-25 at £400,000 to cover works anticipated to take place in the coming year.

The Hospital has a Residents Bequest Fund, comprising amounts left to the Hospital in previous years which have been designated to provide benefits for residents; this has been invested and is managed by the investment managers. During the year, there was a deficit of £821; after including an increase of £11,766 in the value of investments, the fund increased by £10,945 to amount to £102,854 (2023: £91,908) at the year-end.

The unrestricted Income Fund, being amounts that have not been designated by the Visitors, as described above, has decreased by £44,327 during the year to stand at a surplus at £26,590 (2023: surplus of £70,917) at the year-end. This represents approximately three months of Hospital operating and administration costs, which the Visitors consider to be a prudent level of reserves.

PLANS FOR FUTURE YEARS

The overall plans are to keep the almshouse accommodation fully occupied by eligible residents and to maintain a good community spirit within the Hospital by continuing to employ experienced staff, keeping the fabric of the Hospital in good order, ensuring as far as possible that the Almshouses are suitable for the changing needs of an older population, and to maintain the value of the Hospital's endowment, with a view to passing the Hospital on to future generations.

The Visitors will continue to maximise the income from the endowment to the charity through estate management advised currently by Fowler Fortescue land agents. There are potential landlord liabilities identified in relation to the replacement of buildings and fittings and the agents are advising on options available to the Visitors. In this regard there are plans to re-develop certain areas of the estate, subject to

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2024

the required permissions for charity land disposal, which will ensure sustained income from an efficient estate into the medium to long term.

With the recent completion of the capital project to provide a community room within the Hospital, Visitors are concentrating on a repairs programme identified in the quinquennial survey which was updated this year.

VISITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Visitors (who are also directors of Hugh Sexey's Hospital for the purposes of company law) are responsible for preparing the Report of the Visitors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Visitors 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 the year. In preparing these financial statements, the Visitors 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Visitors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 Visitors are aware:

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

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Section 415a of the Companies Act 2006.

Approved by the Visitors on 4 July 2025 and signed on their behalf by: -

J. M. F. Buxton.

Mr J Buxton – Chairman of Visitors

Company registration number 06906918 Charity registration number 1130351

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2024

Opinion

We have audited the financial statements of Hugh Sexey's Hospital (the 'charitable company') for the year ended 31 October 2024 which comprise Statement of Financial Activities, Balance Sheet, Cashflow 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 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 Auditor's 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 charity'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 Visitors are responsible for the other information. The other information comprises the information included in the Report of the Visitors, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2024 (continued)

- the information given in the Report of the Visitors (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Visitors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Visitors

As explained more fully in the Visitors' responsibilities statement set out on page 9, the Visitors (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 Visitors 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 Visitors 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 Visitors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Based on our understanding of the charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to company and charity legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements of the charity. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Statement of Recommended Practice and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the audit engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities, and fraud;
- Reviewing the minutes of Board of Trustees meetings;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing of expenses;
- Performing analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud;
- Reviewing of the financial statements disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2024 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Identifying and testing journal entries, in particular any journal entries with fraud characteristics such as journals with round numbers.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

James Gare (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
Chartered Accountants
County Gate, County Way
Trowbridge
Wiltshire
BA14 7FJ

Company registration number 06906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 OCTOBER 2024

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2024 £**	Total 2023 £
Income from:						
Donations	1a	-	-	9,996	**9,996**	4,801
Charitable activities	1b	-	-	234,472	**234,472**	194,487
Investment activities	1c	104,920	-	330,020	**434,940**	386,894
Other income	1d	50,000	-	-	**50,000**	-
Total income		154,920	-	574,488	**729,408**	586,182
Expenditure on:						
Raising Funds	2	28,158	-	140,048	**168,206**	176,640
Charitable activities:						
Hospital operating costs	3a	-	13,775	551,701	**565,476**	532,590
Administration costs	3b	-	-	47,769	**47,769**	43,729
External grants	3c	-	-	1,932	**1,932**	932
Exceptional costs	3d	255,463	-	-	**255,463**	340,696
Governance costs	3e	-	-	8,746	**8,746**	7,135
		255,463	13,775	610,148	**879,386**	925,082
Total expenditure	4	283,621	13,775	750,195	**1,047,592**	1,101,722
Net expenditure before gains		**(128,702)**	**(13,775)**	**(175,707)**	**(318,184)**	(515,540)
Net gains on investments:						
Investment properties	7a	152,304	-	-	**152,304**	1,517,632
Investment portfolio	7b	540,721	-	11,766	**552,487**	72,719
Net income / (expenditure) before transfers		564,323	(13,775)	(163,941)	**386,607**	1,074,812
Transfers between funds	13 & 14	(136,638)	13,775	122,863	**-**	-
Net movement in funds		**427,686**	**-**	**(41,079)**	**386,607**	1,074,812
Fund balances brought forward		20,692,175	-	301,950	**20,994,125**	19,919,313
Fund balances carried forward		**21,119,861**	**-**	**260,871**	**21,380,732**	20,994,125

The above results relate wholly to continuing activities; there were no recognised gains or losses other than those included above. The Statement of Financial Activities also complies with the requirement to prepare an income and expenditure account contained in the Companies Act 2006.

The accompanying accounting policies and notes form an integral part of these financial statements

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

BALANCE SHEET
AT 31 OCTOBER 2024

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2024 £**	Total 2023 £
Fixed assets						
Heritage assets: The Hospital	6	1,100,000	-	-	**1,100,000**	1,100,000
Investments:						
Freehold properties	7a	15,204,399	-	-	**15,204,399**	15,052,095
Investment portfolio	7b	4,917,149	-	95,367	**5,012,516**	4,638,187
		21,221,548	-	95,367	**21,316,915**	20,790,282
Current assets						
Debtors	9	-	-	31,422	**31,422**	29,189
Interfund balances	10	(101,361)		101,361	**-**	-
Cash at bank and in hand		-	-	115,199	**115,199**	277,608
		(101,361)	-	247,983	**146,621**	306,797
Creditors: amounts falling due within one year	11	(325)	-	(82,479)	**(82,804)**	(102,954)
Net current assets / (liabilities)		(101,686)	-	165,504	**63,817**	203,843
Total assets less current liabilities		**21,119,861**	-	**260,871**	**21,380,732**	20,994,125
Capital funds						
Permanent Endowment Fund	12	21,119,861	-	-	**21,119,861**	20,692,175
Income funds						
Restricted	13	-	-	-	**-**	-
Unrestricted	14	-	-	260,871	**260,871**	301,950
		21,119,861	-	**260,871**	**21,380,732**	20,994,125

The Visitors have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Visitors at their meeting on 4 July 2025 and were signed on their behalf by:

J.M.F. Buxton.

Mr J Buxton – Chairman and Director

E. Showering

Mrs E Showering - Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Company registration number 06906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2024

		Total 2024 £	Total 2023 £
Cash flows from operating activities			
Net outgoing resources, per Statement of Financial Activities		**(318,184)**	(515,540)
Adjustments for:			
Dividends and bank interest		**(117,058)**	(133,952)
(Increase) / decrease in debtors		**(2,233)**	(9,929)
Increase / (decrease) in creditors		**(20,150)**	(610,536)
Net cash used in operating activities		**(457,626)**	(1,269,956)
Cash flows from investing activities			
Investment income		**117,058**	133,952
Net proceeds from sale of investment properties	Note 7a	**-**	799,400
Net proceeds from sale of investments		**178,158**	(75,050)
Purchases of investments			(1,300,000)
Net cash generated from investing activities		**295,217**	(441,698)
Change in cash and cash equivalents in the reporting period		**(162,409)**	(1,711,654)
Cash and cash equivalents at the beginning of the reporting period		**277,676**	1,989,330
Cash and cash equivalents at the end of the reporting period		**115,267**	277,676
Analysis of cash and cash equivalents			
Bank Balances		**115,199**	277,608
Cash held as part of investment portfolio		**68**	68
Total cash and cash equivalents		**115,267**	277,676

Company registration number 06906918 Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2024

Legal status of the Charity
The Charity is a company limited by guarantee, incorporated in England and Wales, and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the reference and administrative details on page 2 of the financial statements and the nature of the charity's operations and principle activities are detailed in the Report of the Visitors.

Statement of compliance
The charity constitutes a public benefit entity as defined by FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. These financial statements have been prepared in compliance with FRS 102, the 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) (Charities SORP (FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice.

Basis of accounting
The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern
There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty
The Hospital makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Valuation of investment property
An external independent valuer, having appropriate recognised professional qualifications and current experience of the location and type of property being valued, values the charity's investment property. Fair values are based on market values. Market values are the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing.

Taxation
No provision is made for Corporation Tax as the charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

Liabilities
Liabilities are recognised in full in the financial statements as soon as the obligation arises.

Financial instruments
Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. These include cash, debtors other than prepayments, and creditors other than taxation and social security costs and deferred income.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Company registration number 06906918 Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2024

Fund accounting

- **Permanent endowment**: The Hospital has a permanent endowment which it is legally prevented from spending and which must remain intact as part of the Hospital's capital. It has invested the endowment to provide income for its charitable activities.
- **Restricted funds**: these are held to be used for specified purposes as laid down by the governing documents or by the donors
- **Unrestricted funds**: these are other incoming resources received or generated for expenditure on the general objectives of the Hospital. The Visitors have designated certain of the unrestricted funds; they have decided that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Income and expenditure
All income is recognised in full in the statement of financial activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. Expenditure is charged on an accruals basis and is allocated between expenditure incurred on management of the investments, expenditure in fulfilment of the Hospital's objectives (direct charitable expenditure) and expenditure incurred in the governance of the Hospital. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Heritage Assets
The Hospital is a listed building of historical importance and as its preservation and conservation is one of the Hospital's objectives, it is regarded as a heritage asset and the Visitors take steps to ensure it is properly maintained. As a result of the age of the Hospital there is no record of any original costs.

No depreciation is charged on the Hospital buildings; the Visitors consider that this policy is appropriate given the historic nature of the buildings and the nature of the Hospital's activities which ensure that the buildings are maintained in an excellent state of repair.

Investments
Investment properties are included in the balance sheet at their estimated market value. Investment properties are formally revalued at least every five years by relevant professional valuers and are reviewed annually to ensure that the most recent formal valuation is still reasonable. No depreciation is provided in respect of investment properties as these are held for investment and the Visitors consider that this policy is necessary to give a true and fair view.

Listed investments held for investment purposes are stated at market value at the balance sheet date; gains and losses arising on revaluation are credited or debited to the appropriate fund through the SOFA.

Current asset investments are short term highly liquid investments held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Dividends and interest from investments are credited to income on a receivable basis.

Retirement benefits
The Hospital operates a defined contribution pension scheme. The pension costs charged against operating income are the contributions payable to the scheme in respect of the accounting year.

Grants payable
Grants are recognised in the financial statements when a commitment has been made, and there are no conditions to be met relating to the grant which remain in the control of the charity. Grants with performance conditions are only recognised in the financial statements once the recipient of the grant has provided the specified service or output.

Company registration number 06906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL
(A charitable company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

		Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2024 £**	Total 2023 £
1. INCOME						
1a) Donations						
Towards costs of running the Hospital		-		9,996	**9,996**	4,801
		-	-	9,996	**9,996**	4,801
1b) Charitable activities						
Contributions from residents		-	-	234,472	**234,472**	194,487
1c) Investment activities						
Investment property income		-	-	317,881	**317,881**	252,942
Dividends and bank interest		104,920	-	12,139	**117,058**	133,952
		104,920	-	330,020	**434,940**	386,894
1d) Other income						
Other income		50,000	-	-	**50,000**	-
		50,000	-	-	**50,000**	-
Total income		154,920	-	574,488	**729,408**	586,182
2. EXPENDITURE ON RAISING FUNDS						
Investment property costs:						
Costs of Estate management		-	-	92,860	**92,860**	59,178
Day-to-day repairs and maintenance		-	-	47,188	**47,188**	92,225
		-	-	140,048	**140,048**	151,403
Brokers management fees	7b	28,158	-	-	**28,158**	25,237
		28,158	-	140,048	**168,206**	176,640
3. EXPENDITURE ON CHARITABLE ACTIVITIES						
a) Hospital operating costs						
Employment costs	Note 5	-	-	156,594	**156,594**	145,197
Other Hospital costs		-	-	144,759	**144,759**	142,965
Day-to-day running costs		-	-	301,353	**301,353**	288,162
Almshouse repairs and improvements		-	13,775	246,734	**260,509**	240,711
Former Residents' Bequest expenditure		-	-	3,614	**3,614**	3,717
		-	13,775	551,701	**565,476**	532,590
b) Administration costs						
Accountancy and charity administration		-	-	43,946	**43,946**	39,174
Legal and professional fees				-	**-**	690
Other administration expenses		-	-	3,824	**3,824**	3,865
		-	-	47,769	**47,769**	43,729
c) External grants						
Grants made to institutions		-	-	1,932	**1,932**	932
d) Exceptional costs						
Hospital: Heating Project		-	-	-	**-**	4,216
Estate: professional costs re future development sites		75,218	-	-	**75,218**	68,240
Estate: building costs re future development sites		137,610			**137,610**	243,038
Estate: professional fees re future strategy		42,635	-	-	**42,635**	25,202
		255,463	-	-	**255,463**	340,696

	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2024 £**	Total 2023 £
3. EXPENDITURE ON CHARITABLE ACTIVITIES					
e) Governance Costs					
Audit fees	-	-	8,746	**8,746**	7,135
	-	-	8,746	**8,746**	7,135

Audit and accountancy fees: (all inclusive of VAT)	Audit services	**8,746**	7,135
	Non-audit services - payroll preparation	**-**	-

4. TOTAL EXPENDITURE

		Staff costs £	Repair costs £	Exceptional £	Other costs £	**2024 £**	2023 £
Investment property costs	Note 2	-	47,188	-	92,860	**140,048**	151,403
Investment man.charges	Note 7b	-	-	-	28,158	**28,158**	25,237
Hospital operating costs	Note 3a	156,594	260,509	-	148,373	**565,476**	532,590
Administration costs	Note 3b	-	-	-	47,769	**47,769**	43,729
External grants	Note 3c	-	-	-	1,932	**1,932**	932
Exceptional costs	Note 3d	-	-	255,463	-	**255,463**	340,696
Governance costs	Note 3e	-	-	-	8,746	**8,746**	7,135
Total resources expended		156,594	307,697	255,463	327,838	**1,047,592**	1,101,722

5. STAFF COSTS AND RENUMERATION OF KEY MANAGEMENT PERSONNEL

Staff costs during the year were:	**2024 £**	2023 £
Wages and salaries	**143,809**	134,106
Employers National Insurance contributions (less Employment Allowance)	**8,569**	7,230
Pension contributions	**4,216**	3,861
	156,594	145,197

Wages and salaries include redundancy costs amounting to £nil (2022-23: £nil).

Average number of employees for the year - 5 (2022-23: 5). None earned in excess of £60,000 (2022-23 none).

The Trust considers its key management personnel comprise the trustees and the Master. The total employment benefits of the key management personnel, including employer's pension contributions, were £55,681 (2022-23: £51,801).

6. HERITAGE ASSETS

	2024 £	2023 £
At valuation	**1,100,000**	1,100,000

The Visitors, after receiving professional advice, have determined that the Hospital is a heritage asset. As a result of the age of the Hospital there are no records of the original cost; the Hospital buildings are included at a desktop valuation provided by qualified valuers at 31 October 2004, based on existing use values.

As there are no plans to alter the use of the Hospital buildings, the Visitors do not believe that the costs of carrying out any further revaluations of the Hospital buildings can be justified.

7. INVESTMENTS

a) Freehold investment properties

			2024	2023
			£	£
At beginning of the year			**15,052,095**	14,333,863
Movement in year:	Sales proceeds		**-**	(799,400)
	Gain arising on sales	Note 12	**-**	358,400
	Surplus arising on revaluation	Note 12	**152,304**	1,159,232
At end of the year			**15,204,399**	**15,052,095**

The Hospital's Land Agents, Fowler Fortescue, revalued the investment properties on an Open Market Value basis at 31 October 2024. This produced an unrealised gain on revaluation of £152,304 (2023: £1,159,232) which has been included in the financial statements, the gain being credited to the Permanent Endowment Fund.
No property was sold during the year, therefore there is no realised gain reported (2023: Realised gain of £358,400.)
Therefore, the net gain shown in the Statement of Financial Activities is £152,304 (2023: Gain of £1,517,632.)

b) Investment portfolio

		Permanent Endowment	Unrestricted: Former Residents Bequest	**Total 2024**	Total 2023
			£	£	£
Investment income received		104,920	2,793	**107,713**	99,596
Management fees charged		(28,158)	-	**(28,158)**	(25,237)
Funds invested / (withdrawn)		(150,000)	(2,793)	**(152,793)**	1,296,842
Unapplied total return allocated to income		(136,638)	-	**(136,638)**	(96,438)
Excess unapplied total return returned to capital		31,718		**31,718**	-
Realised and unrealised gains/(losses):					
Permanent Endowment	Note 8	540,721	-	**540,721**	72,162
Former Residents Bequests	Note 14		11,766	**11,766**	557
Net increase in portfolio value		362,562	11,766	**374,328**	1,347,482
Opening valuation		4,554,586	83,601	**4,638,187**	3,290,705
Closing valuation		**4,917,148**	**95,367**	**5,012,515**	4,638,187
Historical cost of listed investments		4,254,708	78,830	**4,333,538**	4,392,298
The investments are held as follows:	Investment portfolio			**5,012,447**	4,638,119
	Cash balances held by brokers			**68**	68
				5,012,515	4,638,187

At the end of the reporting period the following holdings comprised more than 5% of the value of the portfolio.

ICS - Sterling Liquidity Fund - Accumulation	**1,747,244**	1,330,937
Sarasin Endowments Fund Class A - Income	**3,265,204**	3,307,182

As described in note 10, the permanent endowment investment portfolio contains £101,361 (2023: £5,308) of unrestricted funds

Realised gains amounting to £540,721 were recognised in the Permanent Endowment fund (2023: Gain of £72,162.)
In addition, gains of £11,766 were recognised in the Former Residents' Bequest Fund (2023: Gain of £557.)
Therefore, the total investment gains shown in the Statement of Financial Activities amounted to £552,487 (2023: Gain of £72,719.)

8. MOVEMENT IN UNAPPLIED TOTAL RETURN

Unapplied total return is calculated from a start date of 11 August 2011. The Hospital's policy is to transfer into unrestricted (Income) funds each year an amount approximately equal to 3% of the opening value of the Permanent Endowment investment portfolio, which is available for charitable uses. For 2023-24 this transfer amounted to £136,838 (2022-23: £96,438). This is funded from the total investment returns (income and gains, less management charges) on the Hospital investments. The Visitors intend to keep the distribution rate under review and adjust as necessary to take account of prevailing rates of investment return.

The amount of Permanent Endowment invested under the Total Return basis comprises:

			2024	2023
			£	£
Total fixed assets			**21,316,915**	20,790,282
Exclude:	Heritage assets: The Hospital	Note 6	**(1,100,000)**	(1,100,000)
	Investment properties	Note 7a	**(15,204,399)**	(15,052,095)
	Residents Bequest Fund investments		**(95,367)**	(83,601)
	Excess unapplied total return allocated to income		**(31,718)**	-
			4,885,431	4,554,586

		Permanent Endowment £	Unapplied total return £	Total 2024 £	Total 2023 £
At beginning of period		3,731,681	822,905	**4,554,586**	3,207,661
Investment returns:	Realised and unrealised gains		540,721	**540,721**	72,162
	Investment income receivable		104,920	**104,920**	96,438
	Investment management costs		(28,158)	**(28,158)**	(25,237)
			617,482	**617,482**	143,363
Unapplied total return allocated to income			(136,638)	**(136,638)**	(96,438)
Unapplied total return unallocated at year-end			480,845	**480,845**	46,925
Additional funds invested / (withdrawn)		(150,000)	-	**(150,000)**	1,300,000
Net movement in reporting period		(150,000)	480,845	**330,845**	1,346,925
At end of period		3,581,681	1,303,750	**4,885,431**	4,554,586

As described in note 10, the permanent endowment investment portfolio contains £101,361 (2022-23: £5,308) of unrestricted funds. For simplicity the calculation of unapplied total return is based on the entire portfolio.

£1,300,000 was invested into the permanent endowment during the prior year.
This represents historic realised gains on sales as well as amounts withdrawn in prior years.

9. DEBTORS

	2024	2023
	£	£
Investment income - amounts due from tenants	**9,956**	5,485
Prepayments and other debtors	**21,466**	23,705
	31,422	29,189

10. INTERFUND BALANCES

The Charity holds three portfolios with Sarasin Asset Management". The larger of the three portfolios makes up part of the Charity's Endowment assets.
Although the investment portfolio is allocated to the endowment fund – it includes a balance of £101,361 (2023: £5,308) of unrestricted funds. The interfund balances reflects this unrestricted element of the portfolio.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2024

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2024	2023
		£	£
Trade creditors:	Endowment Fund	**325**	7,813
	Unrestricted Funds	**55,172**	52,071
Accruals and other creditors		**24,627**	40,518
Social security and other taxes		**2,681**	2,553
		82,804	102,954

12. PERMANENT ENDOWMENT FUND

		2024	2023
		£	£
Income			
Other income	Note 1d	**50,000**	-
Expenditure charged against Endowment Funds:			
Hospital: Heating Project	Note 3d	**-**	(4,216)
Estate: costs re future development site	Note 3d	**(75,218)**	(68,240)
Estate: building costs re future development sites	Note 3d	**(137,610)**	(243,038)
Estate: professional fees re future strategy	Note 3d	**(42,635)**	(25,202)
Net expenditure in the year		**(205,463)**	(340,696)
Realised gain arising on sale of Investment Properties	Note 7	**-**	358,400
Unrealised gain arising on revaluation of Investment Properties	Note 7	**152,304**	1,159,232
Funds (invested in) / withdrawn from investment portfolio	Note 7	**150,000**	(1,300,000)
Unapplied total return unallocated at year-end	Note 8	**330,845**	1,346,925
Net movement in funds during the year		**427,686**	1,223,861
Fund balances brought forward at start of year		**20,692,175**	19,468,314
Fund balance carried forward at end of year		**21,119,861**	20,692,175

13. RESTRICTED FUNDS

		2024	2023
Extraordinary Repairs Fund		£	£
Expenditure during the year	Note 3a	**(13,775)**	(13,775)
Annual transfer from income account	Note 14	**13,775**	13,775
Net movement in funds during the year		**-**	-
Fund balances brought forward at start of year		**-**	-
Fund balances carried forward at end of year		**-**	-

Under the terms of the governing Orders, the Visitors are required to transfer a minimum of £690 into an Extraordinary Repairs Fund, to fund major long-term modernisation and repairs. The Visitors have agreed to provide for these repairs using the Almshouse Association suggested contribution rates of £475 per flat, which produces an annual charge of £13,775. Costs of remodelling flats during the year exceed this figure - an equal cost has therefore been charged against the Fund.

Company registration number 06906918 Charity registration number 1130351

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 OCTOBER 2024

14. UNRESTRICTED FUNDS

		Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total 2024**	Total 2023
		£	£	£	£	**£**	£
Surplus/(deficit) for the year		132,810	(307,697)	(821)	-	**(175,708)**	(232,270)
Allocated to Building Fund		(300,000)	300,000	-	-	**-**	-
Outgoing resources before transfers		(167,190)	(7,697)	(821)	-	**(175,708)**	(232,270)
Transfers							
Total Asset Return adjustment	Note 7	136,638	-	-	-	**136,638**	96,438
Extraordinary Repairs	Note 13	(13,775)	-	-	-	**(13,775)**	(13,775)
Outgoing resources after transfers		(44,327)	(7,697)	(821)	-	**(52,845)**	(149,607)
Investment gain	Note 7	-	-	11,766	-	**11,766**	557
Net movement in funds during year		**(44,327)**	**(7,697)**	**10,945**	**-**	**(41,079)**	(149,050)
Fund balances at start of year		70,917	139,124	91,908	-	**301,950**	450,999
Fund balances at end of year		**26,590**	**131,427**	**102,854**	**-**	**260,871**	301,950

Buildings Fund
Repairs, maintenance and modernisation costs arise erratically over the years; if charged directly to the Income Fund the amount of surplus in any year can vary greatly. The object of the Buildings Fund is to even out the charge against the Income Fund by debiting a regular annual amount against it and crediting the same to the Buildings Fund against which expenditure on repairs, maintenance and modernisation is then charged.

The Visitors consider that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Giving Fund
Every year the Visitors decide on the amounts to allocate for external donations to local and regional beneficiaries. In view of the large cash requirement to fund the Blackford Room, no further amount has been allocated for grants.

Former Residents Bequests Fund
From time to time Residents have left bequests to the Hospital. These are kept in a separate fund, the income from which is made available for items of expenditure which will be to the benefit of all residents, as recommended by the House Committee and endorsed by the Visitors.

15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 October 2024 and 31 October 2023 there were no capital commitments or contingent liabilities.

16. TAXATION

The charitable company is exempt from taxation on income and gains falling within categories covered by Part II, Chapter 3 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

17. PAYMENTS TO TRUSTEES AND CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS

No remuneration or reimbursement of expenses was paid during the year to any of the Visitors.

The charitable company has purchased trustees' liability insurance costing £2,200 (2022-23: £1,512). The Charity Commission has confirmed that the Visitors have the power to take out such an insurance policy.

No related party transactions took place during the year or prior year.

18. LIABILITIES OF MEMBERS

Under paragraph 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1, in the event of it being wound up during the year of membership and within one year afterwards.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2024

19a. PRIOR YEAR COMPARATIVES - STATEMENT OF FINANCIAL ACTIVITIES

	Endowment Funds	Restricted Funds	Unrestricted Funds	**Total**
	£	£	£	**£**
Income from:				
Donations and legacies	-	-	4,801	4,801
Charitable activities	-	-	194,487	194,487
Investments	96,438	-	290,456	386,894
Total income	96,438	-	489,745	586,182
Expenditure on:				
Raising Funds	25,237	-	151,403	**176,640**
Charitable activities:				
Hospital operating costs	-	13,775	518,815	**532,590**
Administration costs	-	-	43,729	**43,729**
External grants	-	-	932	**932**
Exceptional costs	340,696	-	-	**340,696**
Governance costs	-	-	7,135	**7,135**
	340,696	13,775	570,611	**925,082**
Total expenditure	365,933	13,775	722,014	**1,101,722**
Net expenditure before gains	**(269,495)**	**(13,775)**	**(232,269)**	**(515,540)**
Net gains on investments:				
Investment properties	1,517,632	-	-	**1,517,632**
Investment portfolio	72,162	-	557	**72,719**
Net income / (expenditure) before transfers	1,320,299	(13,775)	(231,712)	**1,074,812**
Transfers between funds	(96,438)	13,775	82,663	**-**
Net movement in funds	**1,223,861**	**-**	**(149,049)**	**1,074,812**
Fund balances brought forward	19,468,314	-	450,999	**19,919,313**
Fund balances carried forward	**20,692,175**	**-**	**301,950**	**20,994,125**

Company registration number 06906918 Charity registration number 1130351

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2024

19b. PRIOR YEAR COMPARATIVES - BALANCE SHEET AND FUNDS

	Endowment Funds	Restricted Funds	Unrestricted Funds	**Total 2023**
	£	£	£	**£**
Fixed assets				
Heritage assets: The Hospital	1,100,000	-	-	**1,100,000**
Investments:				
Freehold properties	15,052,095	-	-	**15,052,095**
Investment portfolio	4,554,586	-	83,601	**4,638,187**
	20,706,681	-	83,601	**20,790,282**
Current assets				
Debtors	-	-	29,189	**29,189**
Interfund balances	(6,693)		6,693	**-**
Cash at bank and in hand	-	-	277,608	**277,608**
	(6,693)	-	313,490	**306,797**
Creditors: amounts falling due within one year	(7,813)	-	(95,142)	**(102,954)**
Net current assets / (liabilities)	(14,505)	-	218,348	**203,843**
Total assets less current liabilities	**20,692,175**	**-**	**301,950**	**20,994,125**
Capital funds				
Permanent Endowment Fund	20,692,175	-	-	**20,692,175**
Income funds				
Restricted				**-**
Unrestricted	-	-	-	**-**
	-	-	301,950	**301,950**
	20,692,175	**-**	**301,950**	**20,994,125**

UNRESTRICTED FUNDS COMPRISE:

	Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total**
	£	£	£	£	**£**
Surplus/(deficit) for the year	101,225	(332,936)	(559)	-	**(232,270)**
Allocated to Building Fund	(300,000)	300,000	-	-	**-**
Outgoing resources before transfers	(198,775)	(32,936)	(559)	-	**(232,270)**
Transfers					
Permanent Endowment	96,438	-	-	-	**96,438**
Extraordinary Repairs	(13,775)	-	-	-	**(13,775)**
Outgoing resources after transfers	(116,112)	(32,936)	(559)	-	**(149,607)**
Investment losses	-	-	557	-	**557**
Net decrease in funds during year	**(116,112)**	**(32,936)**	**(2)**	**-**	**(149,050)**
Fund balances at start of year	187,029	172,060	91,910	-	**450,999**
Fund balances at end of year	**70,917**	**139,124**	**91,908**	**-**	**301,950**

HUGH SEXEY'S HOSPITAL

England & Wales - Charity number 1130351

Accounts

HUGH SEXEY'S HOSPITAL



REPORT OF THE VISITORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

Company Registration Number 6906918

Charity Registration Number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

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Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL
(A charitable company limited by guarantee)

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2023

The trustees, who are known as the Visitors, are pleased to present their annual report together with the financial statements of the charity for the year ending 31 October 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Office	Hugh Sexey's Hospital, High Street, Bruton, Somerset, BA10 0AS

Visitors (all are Trustees, and Directors of the charitable company):

James Buxton (Chairman)	Lucinda Sunnucks
Edward Bond	Dr Susanna Davidson
Ian Hepburn	Edward Hobhouse
Susanna Deverell	Emily Showering
Ann Lee	Julia de Salis
Dan Bradshaw	Rupert White
Mary Clare Rodwell	Janet Montgomery
Matthew Rawlingson-Plant	(Appointed 21 April 2023)

Officers and Advisors

The Master	Helen Rogerson
Finance and Administration	The Trust Partnership 6 Trull Farm Buildings, Tetbury, Glos.
Land Agents	Fowler Fortescue The Old Dairy, Fonthill Bishop, Salisbury.
Investment Advisers	Sarasin & Partners LLP Juxon House, 100 St Paul Churchyard, London.
Bankers	CAFBank Ltd, 25 Kings Hill Avenue, West Malling, Kent.
Auditors	Sumer Auditco Limited, County Gate, County Way, Trowbridge, Wiltshire,BA14 7FJ
Solicitors	Loxleys, Langford Mill, Wotton-Under-Edge, Glos. Stone King, Upper Borough Court, Bath

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Hugh Sexey's Hospital is a charitable company incorporated and registered with the Charity Commission (1130351) on 15 May 2009. The charity is administered in accordance with a Charity Commission Scheme dated 23 November 2009. The charitable company known as Hugh Sexey's Hospital (company registration 06906918) is limited by guarantee and was registered on 12 May 2009.

The Trustees of the charity, who are known as the Visitors, are also all directors of the charitable company. There are currently fifteen Visitors, which allows for succession planning and a diverse skill set commensurate with the charity's wide range of investments, which include an estate gifted by the original benefactor, Hugh Sexey, in 1638. Visitors are appointed in accordance with the provisions of the charitable company's Articles. All Visitors give their time voluntarily and receive no benefits from the charitable company.

As part of the induction process, new Visitors are briefed on the background and history of the Hospital and their responsibilities under charity law by the Chairman and the Master. A file of relevant documents is provided and all Visitors are encouraged to attend The Almshouse Association Seminars and take part in ad-hoc webinars provided by a number of organisations.

The Visitors, who are all unremunerated, meet four times a year; there are sub-committees covering House (Residents), Buildings, Finance, Estate matters. The Visitors receive regular reports from the Master, Finance Manager, Land Agents, and Investment Advisers, and make all policy decisions.

There are six staff members: the Master (who acts as the operational manager), Warden, Assistant Warden, Housekeeper and Gardener who are all employed within the Hospital. Their remuneration is reviewed annually by the Visitors, taking into account rates of inflation, changes in their roles and responsibilities and comparison to remuneration levels for similar roles in other organisations. There is also a house-for-duty Chaplain who resides on the Hospital site for the majority of the year.

The Visitors have an on-going detailed risk assessment process to identify the major risks to which the Hospital is exposed, review the relative significance of the risks that were identified through an assessment of their risk and probability, and then satisfy themselves as to the adequacy of the systems established to manage and mitigate these risks. This assessment is regularly reviewed and updated by the Visitors at every sub-committee meeting.

The most significant risks are assessed in relation to the activities outlined in the next section and include:

- Safety, security and wellbeing of the almshouse residents.
- Rates of occupancy.
- Maintenance of the historic fabric of the almshouses to provide dwellings fit for purpose.
- Management of the investment portfolio.
- Management of the endowment known as the Blackford Estate.

The charity is a member of The Almshouse Association.

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2023

OBJECTIVES AND ACTIVITIES

The Object of the charity is to provide almshouse accommodation for eligible beneficiaries within the area of benefit which includes Bruton and named parishes. Eligibility includes local older people in need. Applicants living outside the area of benefice may be offered accommodation at the Hospital but their overall number is restricted. The use of the word Hospital refers to the historic term for an almshouse and has no relevance to the accommodation provided today.

The Hospital maintains a list of expressions of interest from applicants, and empty units are allocated to those most in need at the time a unit becomes vacant. As units become vacant, a review takes place by the Master, and modernisation is undertaken in line with the most recent regulations.

Further Objects are charitable purposes for the benefit of residents and other such charitable purposes as the Visitors decide.

The Visitors fulfil these objectives by administering the Almshouses, which provide subsidised accommodation in twenty-six flats within the Hospital buildings, fostering the schools established by the founder of the Hospital, and making donations for charitable purposes, mainly for the benefit and well-being of the young and the elderly or to other charities with similar objectives.

Activities central to the provision of the almshouses include measures to ensure resident welfare, through the provision of a warden, regular contact and fostering community spirit. Ensuring that vacant flats are re-allocated within as short a time as possible commensurate with refurbishing where necessary. Maintaining the almshouse buildings, which are listed or within the curtilage of a listed building, and ensuring they remain fit for purpose. Managing the investment portfolio and the endowment properties on the estate to ensure maximum income for the almshouses and the charitable purposes.

Public Benefit

The Visitors have reviewed the Charity Commission's guidance on the requirement to report on public benefit. They are satisfied that the work of the Hospital in providing almshouses, as described above, accords with its stated objects and provides tangible public benefit to those eligible within the area stipulated within the governing document. There are no voids within the almshouse and residents are allocated accommodation following an application process where the resident in greatest need is offered accommodation at the time a vacancy arises.

Weekly Maintenance Contributions are paid by residents. Occupation is by way of a beneficiary licence. Levels of contributions are set by the Visitors taking into account comparable charges such as the Valuation Office Equivalent Fair Rent and the specimen outline budget from The Almshouse Association.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2023

ACHIEVEMENTS AND PERFORMANCE

The Hospital has now re-opened to members of the public in the courtyard and Chapel although the Covid pandemic continues to cause concern amongst our more elderly or vulnerable residents.

There were several voids throughout the year and all of these required some level of improvement. Sourcing appropriate trades people to carry out the work has been an ongoing challenge. The Hospital has sufficient applications to fill the anticipated voids.

Increases in all areas of Hospital expenditure continue to be a concern, particularly for maintenance issues and energy.

Quinquennial repairs and refurbishment have continued through the year, where possible concentrating on external works.

A Giving Committee normally agrees the Hospital's policy for external donations, in compliance with the third of the Hospital's objects, and distributes funds accordingly. However, in view of the high level of expenditure in the previous and current year, no further amounts have been allocated for giving.

Substantial resources were applied in order to meet the costs of external masonry repairs and these will continue into next year.

In the summer of 2023, in line with good practice, the charity invested in a full review of its Governance arrangements for which an external consultant was engaged following presentations from three suppliers. The review included areas such as:

- The recruitment and induction of new Trustees
- The number of Trustees
- Terms of office for Trustees
- The number of meetings and sub-committees
- Risk Management
- Staffing
- Residents
- Hospital Buildings
- Strategic Planning

An away day has been arranged so that full consideration can be given to the recommendations contained in the consultant's report.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2023

FINANCIAL REVIEW

Financial results

Investment income amounts to £386,894 (2022: £369,939), an increase of £16,955 (4.6%), due to an increase in dividend income. Residents' contributions were increased by 3.15% from September 2023 and income received increased to £194,487 (2022: £162,766) due to an increase in occupancy rates. After receipt of donations amounting to £4,801 (2022: £4,941), total income increased by £48,536 to £586,182.

Expenditure on raising funds comprises costs of managing and maintaining the investment properties, managing the investment portfolio, and fundraising towards the Blackford Room, and amounted to £176,640 (2022: £113,947), an increase of £62,693 which was largely attributable to increased investment property costs.

Hospital operating costs have increased by £75,131 to £532,590 (2022: £457,459). Day-to-day running costs have increased by £13,782, due largely to increased costs of staff, and Hospital repair costs have increased by £61,249 to £240,711 – these by their nature fluctuate significantly from year to year, as various repair projects are carried out, which was further impacted by Covid-19 which meant that scheduled works for the year ended 31 October 2022 were deferred into the year ended 31 October 2023. Administration and governance costs have decreased by £13,751 due to decreased legal and professional costs.

External grants to local schools amounted to £932 (2022: £932).

Exceptional costs of £340,696 were incurred in the year (2022: £75,152). The majority of these were the building costs for ongoing development schemes, which amounted to £243,038. In addition, £68,240 was incurred for professional fees for ongoing development schemes, £25,202 was incurred in connection with future Estate planning matters, and £4,216 was incurred in respect of the heating project.

After inclusion of all expenditure, which amounted to £1,101,722 (2022: £712,714) including exceptional costs, there was an overall deficit for the year, before inclusion of gains on investments, of £515,540 (2022: £175,068 deficit).

The Estate properties were revalued by the Hospital's Agents, Fowler Fortescue, at 31 October 2023, which gave rise to a gain of £1,159,232. Further, an investment property was sold during the year, producing a gain of £358,400. There was an increase of £72,719 in the value of the investment portfolio (2022: £411,943 decrease in value).

After including all expenditure on the Blackford Room and investment gains, overall funds have increased by £1,074,812 (2022: £168,635 decrease) and amounted to £20,994,125 (2022: £19,913,313) at the year-end.

The Endowment Fund increased in value by £1,223,861 (2022: decreased by £83,415) and amounted to £20,692,175 (2022: £19,468,314) at the year-end.

There was an unrestricted deficit of £149,049 arising in the year (2022: deficit of £85,220), therefore Unrestricted Funds decreased to £301,950 (2022: £450,999).

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2023

Information on Fundraising Agreements with Third Parties (as required by the Charities Act 2016)

No fundraising activities were undertaken during the year.

Heritage Assets - Hospital properties

In 2004 a desktop valuation of the Hospital was carried out, based on existing use values, which attributed a value of £1,100,000 to the Hospital. In view of the historic nature of the buildings and their central place within the activities of the Hospital, the Visitors do not believe that the cost of further revaluations can be justified. In order to ensure that the Hospital properties are kept fully maintained, the Visitors have a policy of undertaking quinquennial reviews of the state of the buildings – this review was carried out during 2018 by the Hospital's architects and a costed programme of works drawn up to cover all matters identified.

In October 2020 the Blackford Room was completed, at a total cost of £1.25m; the Visitors consider that this cost fails to meet the test for capitalisation of expenditure as there is no subsequent economic benefit arising from this expenditure, and no new charitable outputs, so it has been fully written off against Endowment Funds – there was a residual cost of £97,683 which was written off against the Income Fund in the year ended 31 October 2020.

Investments

Hugh Sexey's Hospital is a permanent endowment, with assets held in perpetuity. The investments comprise agricultural and residential properties, which comprise 76% (2022: 81%) of the value of the investments, and an investment portfolio. The Visitors regularly review the constituent parts of the Hospital's endowment, to monitor the balance between the values of the investment properties and the Stock Exchange investments but realise that with fluctuations in values, the ratio will change over time.

Investment Properties

The Visitors employ agents, Fowler Fortescue, to manage their investment properties, known as the Blackford Estate, and a long-term management strategy is being implemented. It is not possible to adopt a Total Asset Return basis for the investment properties as their illiquid nature means it is impossible to withdraw any unrealised gains without disposing of properties. Fowler Fortescue carried out a desktop revaluation of the Estate on an Open Market Value basis at 31 October 2023, valuing the properties at £15,052,095, an increase in value of £1,159,232 which was credited to the Permanent Endowment Fund. A review of the agents was carried out in 2023 and after a competitive tender exercise, Fowler Fortescue have been reappointed.

Quoted Investment Portfolio

The Visitors adopted in 2011 a Total Return approach to investment management. All investment returns, whether income or realised and unrealised gains and losses, are brought into the Permanent Endowment Fund and the Visitors then agree an annual transfer from the accumulated unapplied total return to the Income Fund, to subsidise the running costs of the Hospital. The Visitors believe this gives a fair balance between the interests of current and future beneficiaries. In 2011 the Permanent Endowment investments were valued at £2,271,405. A further £2,600,619 has subsequently been invested, and cash of £1,140,343 was withdrawn to fund the Blackford Room construction. Therefore, the balance stands at £3,731,681 (2022: £2,431,681).

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2023

After discussions with the investment managers the annual transfer to the Income Fund was set at 3% of the opening value of the portfolio (excluding cash balances), or £101,200. Total investment returns in the year amounted to a surplus of £143,363 (2022: deficit of £329,674) - actual income received of £96,438 was slightly less than the target so this amount has been credited to the Income Fund, leaving £46,925 credited to Unapplied Total Return. Therefore, the cumulative balance since the policy was adopted now amounts to £822,905 (2022: £775,980). When added to the Capital balance, the closing portfolio has a value of £4,554,586 (2022: £3,207,661).

RESERVES POLICY

At the start of the year, total unrestricted funds were in surplus by £450,999. During the year, unrestricted funds have decreased by £149,049 to amount to £301,950 at the year-end.

Under the terms of the Hospital's governing documents, the Visitors are obliged to maintain the Hospital, which is a Grade I listed building and inalienable, and they believe it prudent to maintain reserves in a designated Building Fund to allow them to cover anticipated repair costs for both the Hospital and the investment properties. Each year, the Visitors consult with the estate manager to consider the amount that should be held in reserves within the Building Fund.

This year, a transfer of £300,000 (2022: £130,000) has been made into the Building Fund. Expenditure amounted to £332,936, giving rise to a deficit of £32,936, so the closing Fund balance amounts to £139,124 (2022: £172,060). Costs are higher in the year because works which had been scheduled for 2021-22 were deferred into 2022-23.

The Visitors are of the opinion that the closing balance held within the Building Fund is sufficient to fund foreseeable repair costs, however have set the transfer for 2023-24 at £400,000 to cover works anticipated to take place in the coming year.

The Hospital has a Residents Bequest Fund, comprising amounts left to the Hospital in previous years which have been designated to provide benefits for residents; this has been invested and is managed by the investment managers. During the year, there was a deficit of £559; after including an increase of £557 in the value of investments, the fund decreased by £2 to amount to £91,908 (2022: £91,910) at the year-end.

The unrestricted Income Fund, being amounts that have not been designated by the Visitors, as described above, has decreased by £116,112 during the year to stand at £70,917 (2022: £187,029) at the year-end. This represents approximately three months of Hospital operating and administration costs, which the Visitors consider to be a prudent level of reserves.

PLANS FOR FUTURE YEARS

The overall plans are to keep the almshouse accommodation fully occupied by eligible residents and to maintain a good community spirit within the Hospital by continuing to employ experienced staff, keeping the fabric of the Hospital in good order, ensuring as far as possible that the Almshouses are suitable for the changing needs of an older population, and to maintain the value of the Hospital's endowment, with a view to passing the Hospital on to future generations.

The Visitors will continue to maximise the income from the endowment to the charity through estate management advised currently by Fowler Fortescue land agents. There are potential landlord liabilities identified in relation to the replacement of buildings and fittings and the agents are advising on options available to the Visitors. In this regard there are plans to re-develop certain areas of the estate, subject to the required permissions for charity land disposal, which will ensure sustained income from an efficient estate into the medium to long term.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2023

With the recent completion of the capital project to provide a community room within the Hospital, Visitors are concentrating on a repairs programme identified in the quinquennial survey which was updated this year.

VISITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Visitors (who are also directors of Hugh Sexey's Hospital for the purposes of company law) are responsible for preparing the Report of the Visitors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Visitors 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 the year. In preparing these financial statements, the Visitors 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Visitors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 Visitors are aware:

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

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Section 415a of the Companies Act 2006.

Approved by the Visitors on 5 July 2024 and signed on their behalf by: -

J. R. F. Buxton

Mr J Buxton – Chairman of Visitors

Company registration number 6906918 Charity registration number 1130351

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2023

Opinion

We have audited the financial statements of Hugh Sexey's Hospital (the 'charitable company') for the year ended 31 October 2023 which comprise Statement of Financial Activities, Balance Sheet, Cashflow 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 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 Auditor's 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 charity'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 Visitors are responsible for the other information. The other information comprises the information included in the Report of the Visitors, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2023 (continued)

- the information given in the Report of the Visitors (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Visitors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Visitors

As explained more fully in the Visitors' responsibilities statement set out on page 9, the Visitors (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 Visitors 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 Visitors 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 Visitors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities, and fraud;
- Reviewing the minutes of Board of Trustees meetings;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing of expenses;
- Performing analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud;
- Reviewing of the financial statements disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Identifying and testing journal entries, in particular any journal entries with fraud characteristics such as journals with round numbers.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2023 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Gare (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
Chartered Accountants
County Gate, County Way
Trowbridge
Wiltshire
BA14 7FJ

26 July 2024

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 OCTOBER 2023

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2023 £**	Total 2022 £
Income from:						
Donations	1a	-	-	4,801	**4,801**	4,941
Charitable activities	1b	-	-	194,487	**194,487**	162,766
Investment activities	1c	96,438	-	290,456	**386,894**	369,939
Total income		96,438	-	489,745	**586,182**	537,646
Expenditure on:						
Raising Funds	2	25,237	-	151,403	**176,640**	113,947
Charitable activities:						
Hospital operating costs	3a	-	13,775	518,815	**532,590**	457,459
Administration costs	3b	-	-	43,729	**43,729**	57,481
External grants	3c	-	-	932	**932**	932
Exceptional costs	3d	340,696	-	-	**340,696**	75,152
Governance costs	3e	-	-	7,135	**7,135**	7,743
		340,696	13,775	570,611	**925,082**	598,767
Total expenditure	4	365,933	13,775	722,014	**1,101,722**	712,714
Net expenditure before gains		**(269,495)**	**(13,775)**	**(232,269)**	**(515,540)**	(175,068)
Net gains on investments:						
Investment properties	7a	1,517,632	-	-	**1,517,632**	1,068,376
Investment portfolio	7b	72,162	-	557	**72,719**	(411,943)
Lease surrender	11	-	-	-	**-**	(650,000)
Net income / (expenditure) before transfers		1,320,299	(13,775)	(231,712)	**1,074,812**	(168,635)
Transfers between funds	13 & 14	(96,438)	13,775	82,663	**-**	-
Net movement in funds		**1,223,861**	**-**	**(149,049)**	**1,074,812**	(168,635)
Fund balances brought forward		19,468,314	-	450,999	**19,919,313**	20,087,948
Fund balances carried forward		**20,692,175**	**-**	**301,950**	**20,994,125**	19,919,313

The above results relate wholly to continuing activities; there were no recognised gains or losses other than those included above. The Statement of Financial Activities also complies with the requirement to prepare an income and expenditure account contained in the Companies Act 2006.

The accompanying accounting policies and notes form an integral part of these financial statements

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

BALANCE SHEET
AT 31 OCTOBER 2023

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2023 £**	Total 2022 £
Fixed assets						
Heritage assets: The Hospital	6	1,100,000	-	-	**1,100,000**	1,100,000
Investments:						
Freehold properties	7a	15,052,095	-	-	**15,052,095**	14,333,863
Investment portfolio	7b	4,554,586	-	83,601	**4,638,187**	3,290,705
		20,706,681	-	83,601	**20,790,282**	18,724,568
Current assets						
Debtors	9	-	-	29,189	**29,189**	19,261
Interfund balances	10	(6,693)		6,693	**-**	-
Cash at bank and in hand		-	-	277,608	**277,608**	1,888,974
		(6,693)	-	313,490	**306,797**	1,908,235
Creditors: amounts falling due within one year	11	(7,813)	-	(95,142)	**(102,954)**	(713,490)
Net current assets / (liabilities)		(14,505)	-	218,348	**203,843**	1,194,745
Total assets less current liabilities		**20,692,175**	**-**	**301,950**	**20,994,125**	19,919,313
Capital funds						
Permanent Endowment Fund	12	20,692,175	-	-	**20,692,175**	19,468,314
Income funds						
Restricted	13	-	-	-	**-**	-
Unrestricted	14	-	-	301,950	**301,950**	450,999
		20,692,175	**-**	**301,950**	**20,994,125**	19,919,313

The Visitors have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Visitors at their meeting on 5 July 2024 and were signed on their behalf by:

J. M. F. Buxton

Mr J Buxton – Chairman and Director

E. Showering

Mrs E Showering - Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2023

		Total 2023 £	Total 2022 £
Cash flows from operating activities			
Net outgoing resources, per Statement of Financial Activities		**(515,540)**	(175,068)
Adjustments for:			
Dividends and bank interest		**(133,952)**	(108,281)
(Increase) / decrease in debtors		**(9,929)**	45,261
Increase / (decrease) in creditors		**(610,536)**	595,023
Net cash used in operating activities		**(1,269,956)**	356,935
Cash flows from investing activities			
Investment income		**133,952**	108,281
Net proceeds from sale of investment properties	Note 7a	**799,400**	1,789,500
Net proceeds from sale of investments		**(75,050)**	250,129
Purchases of investments		**(1,300,000)**	-
Lease surrender		**-**	(650,000)
Net cash generated from investing activities		**(441,698)**	1,497,910
Change in cash and cash equivalents in the reporting period		**(1,711,654)**	1,854,845
Cash and cash equivalents at the beginning of the reporting period		**1,989,330**	134,485
Cash and cash equivalents at the end of the reporting period		**277,676**	1,989,330
Analysis of cash and cash equivalents			
Bank Balances		**277,608**	1,888,974
Cash held as part of investment portfolio		**68**	100,356
Total cash and cash equivalents		**277,676**	1,989,330

Company registration number 6906918 Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2023

Legal status of the Charity
The Charity is a company limited by guarantee, incorporated in England and Wales, and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the reference and administrative details on page 2 of the financial statements and the nature of the charity's operations and principle activities are detailed in the Report of the Visitors.

Statement of compliance
The charity constitutes a public benefit entity as defined by FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. These financial statements have been prepared in compliance with FRS 102, the 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) (Charities SORP (FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice.

Basis of accounting
The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern
There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty
The Hospital makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Valuation of investment property
An external independent valuer, having appropriate recognised professional qualifications and current experience of the location and type of property being valued, values the charity's investment property. Fair values are based on market values. Market values are the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing.

Taxation
No provision is made for Corporation Tax as the charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

Liabilities
Liabilities are recognised in full in the financial statements as soon as the obligation arises.

Financial instruments
Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. These include cash, debtors other than prepayments, and creditors other than taxation and social security costs and deferred income.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Company registration number 6906918 Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2023

Fund accounting

- **Permanent endowment**: The Hospital has a permanent endowment which it is legally prevented from spending and which must remain intact as part of the Hospital's capital. It has invested the endowment to provide income for its charitable activities.
- **Restricted funds**: these are held to be used for specified purposes as laid down by the governing documents or by the donors
- **Unrestricted funds**: these are other incoming resources received or generated for expenditure on the general objectives of the Hospital. The Visitors have designated certain of the unrestricted funds; they have decided that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Income and expenditure
All income is recognised in full in the statement of financial activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. Expenditure is charged on an accruals basis and is allocated between expenditure incurred on management of the investments, expenditure in fulfilment of the Hospital's objectives (direct charitable expenditure) and expenditure incurred in the governance of the Hospital. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Heritage Assets
The Hospital is a listed building of historical importance and as its preservation and conservation is one of the Hospital's objectives, it is regarded as a heritage asset and the Visitors take steps to ensure it is properly maintained. As a result of the age of the Hospital there is no record of any original costs.

No depreciation is charged on the Hospital buildings; the Visitors consider that this policy is appropriate given the historic nature of the buildings and the nature of the Hospital's activities which ensure that the buildings are maintained in an excellent state of repair.

Investments
Investment properties are included in the balance sheet at their estimated market value. Investment properties are formally revalued at least every five years by relevant professional valuers and are reviewed annually to ensure that the most recent formal valuation is still reasonable. No depreciation is provided in respect of investment properties as these are held for investment and the Visitors consider that this policy is necessary to give a true and fair view.

Listed investments held for investment purposes are stated at market value at the balance sheet date; gains and losses arising on revaluation are credited or debited to the appropriate fund through the SOFA.

Current asset investments are short term highly liquid investments held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Dividends and interest from investments are credited to income on a receivable basis.

Retirement benefits
The Hospital operates a defined contribution pension scheme. The pension costs charged against operating income are the contributions payable to the scheme in respect of the accounting year.

Grants payable
Grants are recognised in the financial statements when a commitment has been made, and there are no conditions to be met relating to the grant which remain in the control of the charity. Grants with performance conditions are only recognised in the financial statements once the recipient of the grant has provided the specified service or output.

Company registration number 6906918 Charity registration number 1130351

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

		Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2023 £**	Total 2022 £
1. INCOME						
1a) Donations						
Towards costs of running the Hospital		-		4,801	**4,801**	4,941
		-	-	4,801	**4,801**	4,941
1b) Charitable activities						
Contributions from residents		-	-	194,487	**194,487**	162,766
1c) Investment activities						
Investment property income		-	-	252,942	**252,942**	261,659
Dividends and bank interest		96,438	-	37,514	**133,952**	108,280
		96,438	-	290,456	**386,894**	369,939
Total income		96,438	-	489,745	**586,182**	537,646
2. EXPENDITURE ON RAISING FUNDS						
Investment property costs:						
Costs of Estate management		-	-	59,178	**59,178**	64,522
Day-to-day repairs and maintenance		-	-	92,225	**92,225**	22,841
		-	-	151,403	**151,403**	87,363
Brokers management fees	7b	25,237	-	-	**25,237**	26,584
		25,237	-	151,403	**176,640**	113,947
3. EXPENDITURE ON CHARITABLE ACTIVITIES						
a) Hospital operating costs						
Employment costs	Note 5	-	-	145,197	**145,197**	128,606
Other Hospital costs		-	-	142,965	**142,965**	145,774
Day-to-day running costs		-	-	288,162	**288,162**	274,380
Almshouse repairs and improvements		-	13,775	226,936	**240,711**	179,462
Former Residents' Bequest expenditure		-	-	3,717	**3,717**	3,617
		-	13,775	518,815	**532,590**	457,459
b) Administration costs						
Accountancy and charity administration		-	-	39,174	**39,174**	35,803
Legal and professional fees				690	**690**	15,760
Other administration expenses		-	-	3,865	**3,865**	5,918
		-	-	43,729	**43,729**	57,481
c) External grants						
Grants made to institutions		-	-	932	**932**	932
d) Exceptional costs						
Hospital: Blackford Room development		-	-	-	-	5,690
Hospital: Heating Project		4,216	-	-	**4,216**	3,954
Hospital: Garages and tack room		-			-	3,110
Estate: professional costs re future development sites		68,240	-	-	**68,240**	25,390
Estate: building costs re future development sites		243,038			**243,038**	-
Estate: professional fees re future strategy		25,202	-	-	**25,202**	37,008
		340,696	-	-	**340,696**	75,152

	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2023 £**	Total 2022 £
3. EXPENDITURE ON CHARITABLE ACTIVITIES					
e) Governance Costs					
Audit fees	-	-	7,135	**7,135**	7,743
	-	-	7,135	**7,135**	7,743
Audit and accountancy fees: (all inclusive of VAT) — Audit services				**7,135**	7,743
Non-audit services - payroll preparation				**-**	-

4. TOTAL EXPENDITURE

		Staff costs £	Repair costs £	Exceptional £	Other costs £	**2023 £**	2022 £
Investment property costs	Note 2	-	104,225	-	59,178	**163,403**	87,363
Investment man.charges	Note 7b	-	-	-	25,237	**25,237**	26,584
Cost of Fundraisers	Note 2	-	-	-	-	**-**	-
Hospital operating costs	Note 3a	145,197	240,711	-	146,682	**532,590**	457,459
Administration costs	Note 3b	-	-	-	43,729	**43,729**	57,481
External grants	Note 3c	-	-	-	932	**932**	932
Exceptional costs	Note 3d	-	-	328,696	-	**328,696**	75,152
Governance costs	Note 3e	-	-	-	7,135	**7,135**	7,743
Total resources expended		145,197	344,936	328,696	282,894	**1,101,722**	712,714

5. STAFF COSTS AND RENUMERATION OF KEY MANAGEMENT PERSONNEL

Staff costs during the year were:	**2023 £**	2022 £
Wages and salaries	**134,106**	120,503
Employers National Insurance contributions (less Employment Allowance)	**7,230**	6,060
Pension contributions	**3,861**	2,043
	145,197	128,606

Wages and salaries include redundancy costs amounting to £nil (2021-22: £nil).

Average number of employees for the year - 5 (2021-22: 5). None earned in excess of £60,000 (2021-22 none).

The Trust considers its key management personnel comprise the trustees and the Master. The total employment benefits of the key management personnel, including employer's pension contributions, were £51,801 (2021-22: £42,742).

6. HERITAGE ASSETS

	2023 £	2022 £
At valuation	**1,100,000**	1,100,000

The Visitors, after receiving professional advice, have determined that the Hospital is a heritage asset. As a result of the age of the Hospital there are no records of the original cost; the Hospital buildings are included at a desktop valuation provided by qualified valuers at 31 October 2004, based on existing use values.

As there are no plans to alter the use of the Hospital buildings, the Visitors do not believe that the costs of carrying out any further revaluations of the Hospital buildings can be justified.

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 OCTOBER 2023

7. INVESTMENTS

a) Freehold investment properties

			2023	2022
			£	£
At beginning of the year			**14,333,863**	15,028,548
Movement in year:	Sales proceeds		**(799,400)**	(1,763,062)
	Gain arising on sales	Note 12	**358,400**	670,089
	Surplus arising on revaluation	Note 12	**1,159,232**	398,288
At end of the year			**15,052,095**	**14,333,863**

The Hospital's Land Agents, Fowler Fortescue, revalued the investment properties on an Open Market Value basis at 31 October 2023. This produced an unrealised gain on revaluation of £1,159,232 (2022: £398,288) which has been included in the financial statements, the gain being credited to the Permanent Endowment Fund.
In addition, a property was sold during the year, resulting in a realised gain of £358,400 (2022: Realised gain of £670,089.)
Therefore, the net gain shown in the Statement of Financial Activities is £1,517,632 (2022: Gain of £1,068,376.)

b) Investment portfolio

		Permanent Endowment	Unrestricted: Former Residents Bequest	**Total 2023**	Total 2022
			£	£	£
Investment income received		96,438	3,158	**99,596**	100,153
Management fees charged		(25,237)	-	**(25,237)**	(26,584)
Funds invested / (withdrawn)		1,300,000	(3,158)	**1,296,842**	(199,518)
Unapplied total return allocated to income		(96,438)	-	**(96,438)**	(97,635)
Realised and unrealised gains/(losses):					
Permanent Endowment	Note 8	72,162	-	**72,162**	(400,725)
Former Residents Bequests	Note 14		557	**557**	(11,218)
Net increase in portfolio value		1,346,925	557	**1,347,482**	(635,527)
Opening valuation		3,207,661	83,044	**3,290,705**	3,926,232
Closing valuation		**4,554,586**	**83,601**	**4,638,187**	3,290,705
Historical cost of listed investments		4,313,487	78,811	**4,392,298**	2,989,510

		2023	2022
The investments are held as follows:	Investment portfolio	**4,638,119**	3,190,349
	Cash balances held by brokers	**68**	100,356
		4,638,187	3,290,705

At the end of the reporting period the following holdings comprised more than 5% of the value of the portfolio.

ICS - Sterling Liquidity Fund - Accumulation	**1,330,937**	-
Sarasin Endowments Fund Class A - Income	**3,307,182**	3,190,349

As described in note 10, the permanent endowment investment portfolio contains £5,308 of unrestricted funds

Realised gains amounting to £72,162 were recognised in the Permanent Endowment fund (2022: Loss of £400,725.)
In addition, gains of £557 were recognised in the Former Residents' Bequest Fund (2022: Loss of £11,218.)
Therefore, the total investment gains shown in the Statement of Financial Activities amounted to £72,719 (2022: Loss of £411,943.)

8. MOVEMENT IN UNAPPLIED TOTAL RETURN

Unapplied total return is calculated from a start date of 11 August 2011. The Hospital's policy is to transfer into unrestricted (Income) funds each year an amount approximately equal to 3% of the opening value of the Permanent Endowment investment portfolio, which is available for charitable uses. For 2022-23 this transfer amounted to £96,438 (2021-22: £97,635). This is funded from the total investment returns (income and gains, less management charges) on the Hospital investments. The Visitors intend to keep the distribution rate under review and adjust as necessary to take account of prevailing rates of investment return.

The amount of Permanent Endowment invested under the Total Return basis comprises:

			2023	2022
			£	£
Total fixed assets			**20,790,282**	18,724,568
Exclude:	Heritage assets: The Hospital	Note 6	**(1,100,000)**	(1,100,000)
	Investment properties	Note 7a	**(15,052,095)**	(14,333,863)
	Residents Bequest Fund investments		**(83,601)**	(83,044)
			4,554,586	3,207,661

		Permanent Endowment	Unapplied total return	Total 2023	Total 2022
		£	£	£	£
At beginning of period		2,431,681	775,980	**3,207,661**	3,831,970
Investment returns:	Realised and unrealised gains		72,162	**72,162**	(400,725)
	Investment income receivable		96,438	**96,438**	97,635
	Investment management costs		(25,237)	**(25,237)**	(26,584)
			143,363	**143,363**	(329,674)
Unapplied total return allocated to income			(96,438)	**(96,438)**	(97,635)
Unapplied total return unallocated at year-end			46,925	**46,925**	(427,309)
Additional funds invested / (withdrawn)		1,300,000	-	**1,300,000**	(197,000)
Net movement in reporting period		1,300,000	46,925	**1,346,925**	(624,309)
At end of period		3,731,681	822,905	**4,554,586**	3,207,661

As described in note 10, the permanent endowment investment portfolio contains £5,308 (2021-22: £381,272) of unrestricted funds. For simplicity the calculation of unapplied total return is based on the entire portfolio.

£1,300,000 was invested into the permanent endowment during the year.
This represents historic realised gains on sales as well as amounts withdrawn in prior years.

9. DEBTORS

	2023	2022
	£	£
Investment income - amounts due from tenants	**5,485**	46
Prepayments and other debtors	**23,705**	19,215
	29,189	19,261

10. INTERFUND BALANCES

The Charity holds three portfolios with Sarasin Asset Management". The larger of the three portfolios makes up part of the Charity's Endowment assets.
Although the investment portfolio is allocated to the endowment fund – it includes a balance of £5,308 (2022: £381,272) of unrestricted funds. The interfund balances reflects this unrestricted element of the portfolio.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2023

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2023	2022
		£	£
Trade creditors:	Endowment Fund	**7,813**	-
	Unrestricted Funds	**52,071**	45,141
Accruals and other creditors		**40,518**	16,261
Lease surrender liability		**-**	650,000
Social security and other taxes		**2,553**	2,088
		102,954	713,490

During the prior year, a liability of £650,000 became due to a lessee of one of the Charity's investment properties. In return, the lessee had surrendered the property for the remaining term of the lease.
The corresponding increase in the value of the investment properties, as a result of the lease surrender, has been reflected in the unrealised gain on investment properties in note 7a.

12. PERMANENT ENDOWMENT FUND

		2023	2022
		£	£
Income			
Donations towards Blackford Room development	Note 1a	**-**	-
Expenditure charged against Endowment Funds:			
Hospital: Blackford Room fundraising costs	Note 2	**-**	-
Hospital: Blackford Room development	Note 3d	**-**	(5,690)
Hospital: Heating Project	Note 3d	**(4,216)**	(3,954)
Hospital: Garages and tack room	Note 3d	**-**	(3,110)
Estate: costs re future development site	Note 3d	**(68,240)**	(25,390)
Estate: building costs re future development sites	Note 3d	**(243,038)**	-
Estate: professional fees re future strategy	Note 3d	**(25,202)**	(36,338)
Net expenditure in the year		**(340,696)**	(74,482)
Realised gain arising on sale of Investment Properties	Note 7	**358,400**	670,089
Unrealised gain arising on revaluation of Investment Properties	Note 7	**1,159,232**	398,288
Funds (invested in) / withdrawn from investment portfolio	Note 7	**(1,300,000)**	197,000
Lease surrender	Note 11	**-**	(650,000)
Unapplied total return unallocated at year-end	Note 8	**1,346,925**	(624,309)
Net movement in funds during the year		**1,223,861**	(83,415)
Fund balances brought forward at start of year		**19,468,314**	19,551,729
Fund balance carried forward at end of year		**20,692,175**	19,468,314

13. RESTRICTED FUNDS

		2023	2022
Extraordinary Repairs Fund		£	£
Expenditure during the year	Note 3a	**(13,775)**	(13,775)
Annual transfer from income account	Note 14	**13,775**	13,775
Net movement in funds during the year		**-**	-
Fund balances brought forward at start of year		**-**	-
Fund balances carried forward at end of year		**-**	-

Under the terms of the governing Orders, the Visitors are required to transfer a minimum of £690 into an Extraordinary Repairs Fund, to fund major long-term modernisation and repairs. The Visitors have agreed to provide for these repairs using the Almshouse Association suggested contribution rates of £475 per flat, which produces an annual charge of £13,775. Costs of remodelling flats during the year exceed this figure - an equal cost has therefore been charged against the Fund.

14. UNRESTRICTED FUNDS

		Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total 2023**	Total 2022
		£	£	£	£	£	£
Surplus/(deficit) for the year		101,225	(332,936)	(559)	-	**(232,270)**	(157,862)
Allocated to Building Fund		(300,000)	300,000	-	-	-	-
Outgoing resources before transfers		(198,775)	(32,936)	(559)	-	**(232,270)**	(157,862)
Transfers							
Total Asset Return adjustment	Note 7	96,438	-	-	-	**96,438**	97,635
Extraordinary Repairs	Note 13	(13,775)	-	-	-	**(13,775)**	(13,775)
Outgoing resources after transfers		(116,112)	(32,936)	(559)	-	**(149,607)**	(74,002)
Investment gain	Note 7	-	-	557	-	**557**	(11,218)
Net movement in funds during year		**(116,112)**	**(32,936)**	**(2)**	-	**(149,050)**	(85,220)
Fund balances at start of year		187,029	172,060	91,910	-	**450,999**	536,219
Fund balances at end of year		**70,917**	**139,124**	**91,908**	-	**301,950**	450,999

Buildings Fund
Repairs, maintenance and modernisation costs arise erratically over the years; if charged directly to the Income Fund the amount of surplus in any year can vary greatly. The object of the Buildings Fund is to even out the charge against the Income Fund by debiting a regular annual amount against it and crediting the same to the Buildings Fund against which expenditure on repairs, maintenance and modernisation is then charged.

The Visitors consider that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Giving Fund
Every year the Visitors decide on the amounts to allocate for external donations to local and regional beneficiaries. In view of the large cash requirement to fund the Blackford Room, no further amount has been allocated for grants.

Former Residents Bequests Fund
From time to time Residents have left bequests to the Hospital. These are kept in a separate fund, the income from which is made available for items of expenditure which will be to the benefit of all residents, as recommended by the House Committee and endorsed by the Visitors.

15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 October 2023 and 31 October 2022 there were no capital commitments or contingent liabilities.

16. TAXATION

The charitable company is exempt from taxation on income and gains falling within categories covered by Part II, Chapter 3 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

17. PAYMENTS TO TRUSTEES AND CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS

No remuneration or reimbursement of expenses was paid during the year to any of the Visitors.

The charitable company has purchased trustees' liability insurance costing £1,512 (2021-22: £1,124). The Charity Commission has confirmed that the Visitors have the power to take out such an insurance policy.

No related party transactions took place during the year or prior year.

18. LIABILITIES OF MEMBERS

Under paragraph 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1, in the event of it being wound up during the year of membership and within one year afterwards.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2023

19a. PRIOR YEAR COMPARATIVES - STATEMENT OF FINANCIAL ACTIVITIES

	Endowment Funds	Restricted Funds	Unrestricted Funds	Total
	£	£	£	£
Income from:				
Donations and legacies	-	-	4,941	4,941
Charitable activities	-	-	162,766	162,766
Investments	97,635	-	272,304	369,939
Total income	97,635	-	440,011	537,646
Expenditure on:				
Raising Funds	26,584	-	87,363	**113,947**
Charitable activities:				
Hospital operating costs	-	13,775	443,684	**457,459**
Administration costs	-	-	57,481	**57,481**
External grants	-	-	932	**932**
Exceptional costs	74,482	-	670	**75,152**
Governance costs	-	-	7,743	**7,743**
	74,482	13,775	510,510	**598,767**
Total expenditure	101,066	13,775	597,873	**712,714**
Net expenditure before gains	**(3,431)**	**(13,775)**	**(157,862)**	**(175,068)**
Net gains on investments:				
Investment properties	1,068,376	-	-	**1,068,376**
Investment portfolio	(400,725)	-	(11,218)	**(411,943)**
Lease surrender	(650,000)	-	-	**(650,000)**
Net income / (expenditure) before transfers	14,220	(13,775)	(169,080)	**(168,635)**
Transfers between funds	(97,635)	13,775	83,860	-
Net movement in funds	**(83,415)**	**-**	**(85,220)**	**(168,635)**
Fund balances brought forward	19,551,729	-	536,219	**20,087,948**
Fund balances carried forward	**19,468,314**	**-**	**450,999**	**19,919,313**

Company registration number 6906918 Charity registration number 1130351

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2023

19b. PRIOR YEAR COMPARATIVES - BALANCE SHEET AND FUNDS

	Endowment Funds	Restricted Funds	Unrestricted Funds	**Total 2021**
	£	£	£	**£**
Fixed assets				
Heritage assets: The Hospital	1,100,000	-	-	**1,100,000**
Investments:				
Freehold properties	14,333,863	-	-	**14,333,863**
Investment portfolio	3,207,661	-	83,044	**3,290,705**
	18,641,524	-	83,044	**18,724,568**
Current assets				
Debtors	-	-	19,261	**19,261**
Interfund balances	(381,272)		381,272	-
Cash at bank and in hand	1,858,062	-	30,912	**1,888,974**
	1,476,790	-	431,445	**1,908,235**
Creditors: amounts falling due within one year	(650,000)	-	(63,490)	**(713,490)**
Net current assets / (liabilities)	826,790	-	367,955	**1,194,745**
Total assets less current liabilities	**19,468,314**	-	**450,999**	**19,919,313**
Capital funds				
Permanent Endowment Fund	19,468,314	-	-	**19,468,314**
Income funds				
Restricted	-	-	-	-
Unrestricted	-	-	450,999	**450,999**
	19,468,314	-	**450,999**	**19,919,313**

UNRESTRICTED FUNDS COMPRISE:

	Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total**
	£	£	£	£	**£**
Surplus/(deficit) for the year	45,540	(202,302)	(1,100)	-	**(157,862)**
Allocated to Building Fund	(130,000)	130,000	-	-	-
Outgoing resources before transfers	(84,460)	(72,302)	(1,100)	-	**(157,862)**
Transfers					
Permanent Endowment	97,635	-	-	-	**97,635**
Extraordinary Repairs	(13,775)	-	-	-	**(13,775)**
Outgoing resources after transfers	(600)	(72,302)	(1,100)	-	**(74,002)**
Investment losses	-	-	(11,218)	-	**(11,218)**
Net decrease in funds during year	**(600)**	**(72,302)**	**(12,318)**	-	**(85,220)**
Fund balances at start of year	187,629	244,362	104,228	-	**536,219**
Fund balances at end of year	**187,029**	**172,060**	**91,910**	-	**450,999**

HUGH SEXEY'S HOSPITAL

England & Wales - Charity number 1130351

Accounts

HUGH SEXEY'S HOSPITAL



REPORT OF THE VISITORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

Company Registration Number 6906918

Charity Registration Number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

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Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees, who are known as the Visitors, are pleased to present their annual report together with the financial statements of the charity for the year ending 31 October 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Office	Hugh Sexey's Hospital, High Street, Bruton, Somerset, BA10 0AS

Visitors (all are Trustees, and Directors of the charitable company):

James Buxton (Chairman)	Lucinda Sunnucks
Edward Bond	Dr Susanna Davidson
Ian Hepburn	Edward Hobhouse
Susanna Deverell	Emily Showering
Ann Lee	Julia de Salis
Dan Bradshaw	
Michael Bowman	(Resigned 8 April 2022)
Mark Stanley-Smith	(Resigned 8 April 2022)
General Sir Alex Harley	(Resigned 5 July 2022)
Charles Oulton	(Appointed 21 January 2022, Resigned 5 July 2022)
The Hon. Andrew Jolliffe	(Deceased 24 October 2022)
Rupert White	(Appointed 7 October 2022)
Mary Clare Rodwell	(Appointed 7 October 2022)
Janet Montgomery	(Appointed 7 October 2022)

Officers and Advisors

The Master	Helen Rogerson
Finance and Administration	The Trust Partnership 6 Trull Farm Buildings, Tetbury, Glos.
Land Agents	Fowler Fortescue The Old Dairy, Fonthill Bishop, Salisbury.
Investment Advisers	Sarasin & Partners LLP Juxon House, 100 St Paul Churchyard, London.
Bankers	CAFBank Ltd, 25 Kings Hill Avenue, West Malling, Kent.
Auditors	Sumer Auditco Limited, County Gate, County Way, Trowbridge, Wiltshire,BA14 7FJ
Solicitors	Loxleys, Langford Mill, Wotton-Under-Edge, Glos. Stone King, Upper Burough Court, Bath

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Hugh Sexey's Hospital is a charitable company incorporated and registered with the Charity Commission (1130351) on 15 May 2009. The charity is administered in accordance with a Charity Commission Scheme dated 23 November 2009. The charitable company known as Hugh Sexey's Hospital (company registration 06906918) is limited by guarantee and was registered on 12 May 2009.

The Trustees of the charity, who are known as the Visitors, are also all directors of the charitable company. There are currently sixteen Visitors, which allows for succession planning and a diverse skill set commensurate with the charity's wide range of investments, which include an estate gifted by the original benefactor, Hugh Sexey, in 1638. Visitors are appointed in accordance with the provisions of the charitable company's Articles. All Visitors give their time voluntarily and receive no benefits from the charitable company.

As part of the induction process, new Visitors are briefed on the background and history of the Hospital and their responsibilities under charity law by the Chairman and the Master. A file of relevant documents is provided and all Visitors are encouraged to attend The Almshouse Association Seminars and take part in ad-hoc webinars provided by a number of organisations.

The Visitors, who are all unremunerated, meet four times a year; there are sub-committees covering House (Residents), Buildings, Finance, Estate matters. The Visitors receive regular reports from the Master, Finance Manager, Land Agents, and Investment Advisers, and make all policy decisions.

There are five staff members: the Master (who acts as the operational manager), Warden, Assistant Warden, Housekeeper and Gardener who are all employed within the Hospital. Their remuneration is reviewed annually by the Visitors, taking into account changes in their roles and responsibilities and comparison to remuneration levels for similar roles in other organisations. There is also a house-for-duty Chaplain who resides on the Hospital site for most of the year.

The Visitors have an on-going detailed risk assessment process to identify the major risks to which the Hospital is exposed, review the relative significance of the risks that were identified through an assessment of their risk and probability, and then satisfy themselves as to the adequacy of the systems established to manage and mitigate these risks. This assessment is regularly reviewed and updated by the Visitors at every sub-committee meeting.

The most significant risks are assessed in relation to the activities outlined in the next section and include:

- Safety, security and wellbeing of the almshouse residents.
- Rates of occupancy.
- Maintenance of the historic fabric of the almshouses to provide dwellings fit for purpose.
- Management of the investment portfolio.
- Management of the endowment known as the Blackford Estate.

The charity is a member of The Almshouse Association.

During the year, the Hospital sadly lost a long-serving Trustee who passed away whilst abroad and we would like to take this opportunity to express our deepest gratitude for the contribution that he made to the work of our charity.

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2022

OBJECTIVES AND ACTIVITIES

The Object of the charity is to provide almshouse accommodation for eligible beneficiaries within the area of benefit which includes Bruton and named parishes. Eligibility includes local older people in need. Applicants living outside the area of benefice may be offered accommodation at the Hospital but their overall number is restricted. The use of the word Hospital refers to the historic term for an almshouse and has no relevance to the accommodation provided today.

The Hospital maintains a list of expressions of interest from applicants, and empty units are allocated to those most in need at the time a unit becomes vacant. As units become vacant, a review takes place by the Master, and modernisation is undertaken in line with the most recent regulations.

Further Objects are charitable purposes for the benefit of residents and other such charitable purposes as the Visitors decide.

The Visitors fulfil these objectives by administering the Almshouses, which provide subsidised accommodation in twenty-six flats within the Hospital buildings, fostering the schools established by the founder of the Hospital, and making donations for charitable purposes, mainly for the benefit and well-being of the young and the elderly or to other charities with similar objectives.

Activities central to the provision of the almshouses include measures to ensure resident welfare, through the provision of a warden, regular contact and fostering community spirit. Ensuring that vacant flats are re-allocated within as short a time as possible commensurate with refurbishing where necessary. Maintaining the almshouse buildings, which are listed or within the curtilage of a listed building, and ensuring they remain fit for purpose. Managing the investment portfolio and the endowment properties on the estate to ensure maximum income for the almshouses and the charitable purposes.

Public Benefit

The Visitors have reviewed the Charity Commission's guidance on the requirement to report on public benefit. They are satisfied that the work of the Hospital in providing almshouses, as described above, accords with its stated objects and provides tangible public benefit to those eligible within the area stipulated within the governing document. There are no voids within the almshouse and residents are allocated accommodation following an application process where the resident in greatest need is offered accommodation at the time a vacancy arises.

Weekly Maintenance Contributions are paid by residents. Occupation is by way of a beneficiary licence. Levels of contributions are set by the Visitors taking into account comparable charges such as the Valuation Office Equivalent Fair Rent and the specimen outline budget from The Almshouse Association.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2022

ACHIEVEMENTS AND PERFORMANCE

The Hospital has now re-opened to members of the public in the courtyard and Chapel although the Covid pandemic continues to cause concern amongst our more elderly or vulnerable residents.

There were several voids throughout the year and all of these required some level of improvement. Sourcing appropriate trades people to carry out the work has been an ongoing challenge. Several advertisements for prospective residents were placed and three panels for these were held. The Hospital has sufficient applications to fill the current voids.

Increases in all areas of Hospital expenditure continue to be a concern, particularly for maintenance issues and energy.

The garden continued to provide surplus fruit and vegetable produce which was donated to local charities in Bruton and Wincanton.

Quinquennial repairs and refurbishment have continued through the year, where possible concentrating on external works. Phase 1 of the new boiler project has been completed.

A Giving Committee agrees the Hospital's policy for external donations, in compliance with the third of the Hospital's objects, and distributes funds accordingly. However, in view of the high level of expenditure in the previous and current year, no further amounts have been allocated for giving.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2022

FINANCIAL REVIEW

Financial results

Investment income amounts to £369,939 (2021: £374,948), a decrease of £5,009 (1.3%), due to a reduction in dividend income. Residents' contributions were increased by 2.5% from September 2022 however income received reduced to £162,766 (2021: £169,814) as a result of voids. After receipt of donations amounting to £4,941 (2021: £18,148), including £nil (2021: £9,050) received towards the Blackford Room, total income reduced by £25,264 to £537,646.

Expenditure on raising funds comprises costs of managing and maintaining the investment properties, managing the investment portfolio, and fundraising towards the Blackford Room, and amounted to £113,947 (2021: £101,970), a increase of £11,977 which was largely attributable to increased investment property costs.

Hospital operating costs have increased by £7,475 to £457,459 (2021: £449,984). Day-to-day running costs have decreased by £40,585 due to decreased costs of staff and utilities, and Hospital repair costs have increased by £46,350 to £179,462 – these by their nature fluctuate significantly from year to year, as various repair projects are carried out, which was further impacted by Covid-19 which meant that scheduled works had been deferred into the year ended 31 October 2023. Administration and governance costs have increased by £5,750 due to increased accountancy and administration costs.

External grants to local schools amounted to £932 (2021: £932).

Exceptional costs of £75,152 were incurred in the year (2021: £156,411). The majority of these were the costs of professional fees for future Estate planning matters, which amounted to £37,008. In addition, £5,690 was incurred in completing the Blackford Room, £25,391 was incurred in connection with ongoing development schemes for various investment properties, and £7,064 was incurred in respect of the heating project.

After inclusion of all expenditure, which amounted to £712,714 (2021: £767,260) including exceptional costs, there was an overall deficit for the year, before inclusion of gains on investments, of £175,068 (2021: £204,350 deficit).

The Estate properties were revalued by the Hospital's Agents, Fowler Fortescue, at 31 October 2022, which gave rise to a gain of £398,288. Further, some investment properties were sold during the year, producing a gain of £670,089. There was a decrease of £411,943 in the value of the investment portfolio (2021: £479,204 increase in value). During the year, a tenant within the estate portfolio agreed to surrender the remaining term of their lease, and as a result a liability of £650,000 arose (note 11).

After including all expenditure on the Blackford Room and investment gains, overall funds have decreased by £168,635 (2021: £3,171,992 increase) and amounted to £19,913,313 (2021: £20,087,948) at the year-end.

The Endowment Fund decreased in value by £83,415 (2021: increased by £3,222,211) and amounted to £19,468,314 (2021: £19,551,729) at the year-end.

There was an unrestricted deficit of £85,220 arising in the year (2021: deficit of £50,218), therefore Unrestricted Funds decreased to £450,999 (2021: £536,219).

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2022

Information on Fundraising Agreements with Third Parties (as required by the Charities Act 2016)

Hugh Sexey's Hospital engaged Complete Fundraising Ltd to assist with fundraising towards the cost of the Blackford Room. In the year to 31 October 2022, they raised a total of £nil (2021: £9,050), at a cost to the Hospital of £nil, inclusive of VAT (2021: £2,389). The activities of the fundraisers were regularly reviewed by the Visitors and the Master during the year; they adhere to the Institute of Fundraising guidelines for dealing with vulnerable people, and no complaints were received in respect of the fundraising activities carried out on behalf of the Hospital.

Heritage Assets - Hospital properties
In 2004 a desktop valuation of the Hospital was carried out, based on existing use values, which attributed a value of £1,100,000 to the Hospital. In view of the historic nature of the buildings and their central place within the activities of the Hospital, the Visitors do not believe that the cost of further revaluations can be justified. In order to ensure that the Hospital properties are kept fully maintained, the Visitors have a policy of undertaking quinquennial reviews of the state of the buildings – this review was carried out during 2018 by the Hospital's architects and a costed programme of works drawn up to cover all matters identified.

In October 2020 the Blackford Room was completed, at a total cost of £1.25m; the Visitors consider that this cost fails to meet the test for capitalisation of expenditure as there is no subsequent economic benefit arising from this expenditure, and no new charitable outputs, so it has been fully written off against Endowment Funds – there was a residual cost of £97,683 which was written off against the Income Fund in the year ended 31 October 2020.

Investments
Hugh Sexey's Hospital is a permanent endowment, with assets held in perpetuity. The investments comprise agricultural and residential properties, which comprise 81% (2021: 79%) of the value of the investments, and an investment portfolio. The Visitors regularly review the constituent parts of the Hospital's endowment, to monitor the balance between the values of the investment properties and the Stock Exchange investments but realise that with fluctuations in values, the ratio will change over time.

Investment Properties
The Visitors employ agents, Fowler Fortescue, to manage their investment properties, known as the Blackford Estate, and a long-term management strategy is being implemented. It is not possible to adopt a Total Asset Return basis for the investment properties as their illiquid nature means it is impossible to withdraw any unrealised gains without disposing of properties. Fowler Fortescue carried out a desktop revaluation of the Estate on an Open Market Value basis at 31 October 2022, valuing the properties at £14,333,863, an increase in value of £398,288 which was credited to the Permanent Endowment Fund. A review of the agents was carried out in 2022 and after a competitive tender exercise, Fowler Fortescue have been reappointed.

Quoted Investment Portfolio
The Visitors adopted in 2011 a Total Return approach to investment management. All investment returns, whether income or realised and unrealised gains and losses, are brought into the Permanent Endowment Fund and the Visitors then agree an annual transfer from the accumulated unapplied total return to the Income Fund, to subsidise the running costs of the Hospital. The Visitors believe this gives a fair balance between the interests of current and future beneficiaries. In 2011 the Permanent Endowment investments were valued at £2,271,405. A further £1,497,619 has subsequently been invested, and cash of £1,140,343 was withdrawn to fund the Blackford Room construction. Therefore, the balance stands at £2,628,681 (2021: £2,628,681).

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2022

After discussions with the investment managers the annual transfer to the Income Fund was set at 3% of the opening value of the portfolio (excluding cash balances), or £101,200. Total investment returns in the year amounted to a deficit of £329,674 (2021: surplus of £545,971) - actual income received of £97,635 was slightly less than the target so this amount has been credited to the Income Fund, leaving £624,309 debited to Unapplied Total Return. Therefore, the cumulative balance since the policy was adopted now amounts to £775,980 (2021: £1,203,289). When added to the Capital balance, the closing portfolio has a value of £3,207,661 (2021: £3,831,970).

RESERVES POLICY

At the start of the year, total unrestricted funds were in surplus by £536,219. During the year, unrestricted funds have decreased by £85,220 to amount to £450,999 at the year-end.

Under the terms of the Hospital's governing documents, the Visitors are obliged to maintain the Hospital, which is a Grade I listed building and inalienable, and they believe it prudent to maintain reserves in a designated Building Fund to allow them to cover anticipated repair costs for both the Hospital and the investment properties. The Visitors considered the amount that should be held, in light of the works revealed in the quinquennial survey of the Hospital carried out in 2018, which were costed at £230,000, and decided that a fund balance of approximately £240,000 is appropriate.

This year a transfer of £130,000 (2021: £130,000) has been made into the Building Fund. Expenditure amounted to £202,302, giving rise to a deficit of £72,302, so the closing Fund balance amounts to £172,060 (2021: £244,362). Costs are higher in the year because works which had been scheduled for 2019-20 were deferred into 2021-22. The Visitors are of the opinion that the closing balance held within the Building Fund is sufficient to fund foreseeable repair costs.

The Hospital has a Residents Bequest Fund, comprising amounts left to the Hospital in previous years which have been designated to provide benefits for residents; this has been invested and is managed by the investment managers. During the year, there was a deficit of £1,099; after including a decrease of £11,218 in the value of investments, the fund decreased by £12,317 to amount to £91,911 (2021: £104,228) at the year-end.

The unrestricted Income Fund, being amounts that have not been designated by the Visitors, as described above, has decreased by £600 during the year to stand at £187,029 (2021: £187,629) at the year-end. This represents approximately six months of Hospital operating and administration costs, which the Visitors consider to be a prudent level of reserves.

PLANS FOR FUTURE YEARS

The overall plans are to keep the almshouse accommodation fully occupied by eligible residents and to maintain a good community spirit within the Hospital by continuing to employ experienced staff, keeping the fabric of the Hospital in good order, ensuring as far as possible that the Almshouses are suitable for the changing needs of an older population, and to maintain the value of the Hospital's endowment, with a view to passing the Hospital on to future generations.

The Visitors will continue to maximise the income from the endowment to the charity through estate management advised by Fowler Fortescue land agents. There are potential landlord liabilities identified in relation to the replacement of buildings and fittings and the agents are advising on options available to the Visitors. In this regard there are plans to re-develop certain areas of the estate, subject to the required permissions for charity land disposal, which will ensure sustained income from an efficient estate into the medium to long term.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2022

With the recent completion of the capital project to provide a community room within the Hospital, Visitors are concentrating on a repairs programme identified in the quinquennial surveys.

VISITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Visitors (who are also directors of Hugh Sexey's Hospital for the purposes of company law) are responsible for preparing the Report of the Visitors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Visitors 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 the year. In preparing these financial statements, the Visitors 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Visitors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 Visitors are aware:

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

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Section 415a of the Companies Act 2006.

Approved by the Visitors on 7 July 2023 and signed on their behalf by: -

J.A.F. Buxton

Mr J Buxton – Chairman of Visitors

Company registration number 6906918 Charity registration number 1130351

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2022

Opinion

We have audited the financial statements of Hugh Sexey's Hospital (the 'charitable company') for the year ended 31 October 2022 which comprise Statement of Financial Activities, Balance Sheet, Cashflow 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 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 Auditor's 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 charity'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 Visitors are responsible for the other information. The other information comprises the information included in the Report of the Visitors, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2022 (continued)

- the information given in the Report of the Visitors (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Visitors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Visitors

As explained more fully in the Visitors' responsibilities statement set out on page 8, the Visitors (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 Visitors 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 Visitors 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 Visitors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities, and fraud;
- Reviewing the minutes of Board of Trustees meetings;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing of expenses;
- Performing analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud;
- Reviewing of the financial statements disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Identifying and testing journal entries, in particular any journal entries with fraud characteristics such as journals with round numbers.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation.

Company registration number 6906918 Charity registration number 1130351

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2022 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

James Gare (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
Chartered Accountants
County Gate, County Way
Trowbridge
Wiltshire
BA14 7FJ

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 OCTOBER 2022

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2022 £**	Total 2021 £
Income from:						
Donations	1a	-	-	4,941	**4,941**	18,148
Charitable activities	1b	-	-	162,766	**162,766**	169,814
Investment activities	1c	97,635	-	272,304	**369,939**	374,948
Total income		97,635	-	440,011	**537,646**	562,911
Expenditure on:						
Raising Funds	2	26,584	-	87,363	**113,947**	101,970
Charitable activities:						
Hospital operating costs	3a	-	13,775	443,684	**457,459**	449,984
Administration costs	3b	-	-	57,481	**57,481**	51,731
External grants	3c	-	-	932	**932**	932
Exceptional costs	3d	74,482	-	670	**75,152**	156,411
Governance costs	3e	-	-	7,743	**7,743**	6,232
		74,482	13,775	510,510	**598,767**	665,290
Total expenditure	4	101,066	13,775	597,873	**712,714**	767,260
Net expenditure before gains		**(3,431)**	**(13,775)**	**(157,862)**	**(175,068)**	(204,349)
Net gains on investments:						
Investment properties	7a	1,068,376	-	-	**1,068,376**	2,897,138
Investment portfolio	7b	(400,725)	-	(11,218)	**(411,943)**	479,204
Lease surrender	11	(650,000)	-	-	**(650,000)**	-
Net income / (expenditure) before transfers		14,220	(13,775)	(169,080)	**(168,635)**	3,171,993
Transfers between funds	13 & 14	(97,635)	13,775	83,860	**-**	-
Net movement in funds		**(83,415)**	**-**	**(85,220)**	**(168,635)**	3,171,993
Fund balances brought forward		19,551,729	-	536,219	**20,087,948**	16,915,955
Fund balances carried forward		**19,468,314**	**-**	**450,999**	**19,919,313**	20,087,948

The above results relate wholly to continuing activities; there were no recognised gains or losses other than those included above. The Statement of Financial Activities also complies with the requirement to prepare an income and expenditure account contained in the Companies Act 2006.

The accompanying accounting policies and notes form an integral part of these financial statements

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

BALANCE SHEET
AT 31 OCTOBER 2022

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2022 £**	Total 2021 £
Fixed assets						
Heritage assets: The Hospital	6	1,100,000	-	-	**1,100,000**	1,100,000
Investments:						
Freehold properties	7a	14,333,863	-	-	**14,333,863**	15,028,548
Investment portfolio	7b	3,207,661	-	83,044	**3,290,705**	3,926,232
		18,641,524	-	83,044	**18,724,568**	20,054,780
Current assets						
Debtors	9	-	-	19,261	**19,261**	64,522
Interfund balances	10	(381,272)		381,272	**-**	
Cash at bank and in hand		1,858,062	-	30,912	**1,888,974**	87,112
		1,476,790	-	431,445	**1,908,235**	151,634
Creditors: amounts falling due within one year	11	(650,000)	-	(63,490)	**(713,490)**	(118,466)
Net current assets / (liabilities)		826,790	-	367,955	**1,194,745**	33,168
Total assets less current liabilities		**19,468,314**	**-**	**450,999**	**19,919,313**	20,087,948
Capital funds						
Permanent Endowment Fund	12	19,468,314	-	-	**19,468,314**	19,551,729
Income funds						
Restricted	13	-	-	-	**-**	-
Unrestricted	14	-	-	450,999	**450,999**	536,219
		19,468,314	**-**	**450,999**	**19,919,313**	20,087,948

The Visitors have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Visitors at their meeting on 7 July 2023 and were signed on their behalf by:

J.A.F. Buxton.

Mr J Buxton – Chairman and Director

E. Showering

Mrs E Showering - Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2022

		Total 2022 £	Total 2021 £
Cash flows from operating activities			
Net outgoing resources, per Statement of Financial Activities		**(175,068)**	(204,349
Adjustments for:			
Dividends and bank interest		**(108,281)**	(108,067
(Increase) / decrease in debtors		**45,261**	(41,935
Increase / (decrease) in creditors		**595,023**	(92,677
Net cash used in operating activities		**356,935**	(447,027
Cash flows from investing activities			
Investment income		**108,281**	108,067
Net proceeds from sale of investment properties	Note 7a	**1,789,500**	-
Net proceeds from sale of investments		**250,129**	27,261
Purchases of investments		**-**	(5,090
Lease surrender		**(650,000)**	-
Net cash generated from investing activities		**1,497,910**	130,238
Change in cash and cash equivalents in the reporting period		**1,854,845**	(316,789
Cash and cash equivalents at the beginning of the reporting period		**134,485**	451,274
Cash and cash equivalents at the end of the reporting period		**1,989,330**	134,485
Analysis of cash and cash equivalents			
Bank Balances		**1,888,974**	87,112
Cash held as part of investment portfolio		**100,356**	47,373
Total cash and cash equivalents		**1,989,330**	134,485

Company registration number 6906918

Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2022

Legal status of the Charity
The Charity is a company limited by guarantee, incorporated in England and Wales, and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the reference and administrative details on page 2 of the financial statements and the nature of the charity's operations and principle activities are detailed in the Report of the Visitors.

Statement of compliance
The charity constitutes a public benefit entity as defined by FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. These financial statements have been prepared in compliance with FRS 102, the 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) (Charities SORP (FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice.

Basis of accounting
The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern
There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty
The Hospital makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Valuation of investment property
An external independent valuer, having appropriate recognised professional qualifications and current experience of the location and type of property being valued, values the charity's investment property. Fair values are based on market values. Market values are the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing.

Taxation
No provision is made for Corporation Tax as the charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

Liabilities
Liabilities are recognised in full in the financial statements as soon as the obligation arises.

Financial instruments
Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. These include cash, debtors other than prepayments, and creditors other than taxation and social security costs and deferred income.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Company registration number 6906918 Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2022

Fund accounting

- **Permanent endowment**: The Hospital has a permanent endowment which it is legally prevented from spending and which must remain intact as part of the Hospital's capital. It has invested the endowment to provide income for its charitable activities.
- **Restricted funds**: these are held to be used for specified purposes as laid down by the governing documents or by the donors
- **Unrestricted funds**: these are other incoming resources received or generated for expenditure on the general objectives of the Hospital. The Visitors have designated certain of the unrestricted funds; they have decided that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Income and expenditure
All income is recognised in full in the statement of financial activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. Expenditure is charged on an accruals basis and is allocated between expenditure incurred on management of the investments, expenditure in fulfilment of the Hospital's objectives (direct charitable expenditure) and expenditure incurred in the governance of the Hospital. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Heritage Assets
The Hospital is a listed building of historical importance and as its preservation and conservation is one of the Hospital's objectives, it is regarded as a heritage asset and the Visitors take steps to ensure it is properly maintained. As a result of the age of the Hospital there is no record of any original costs.

No depreciation is charged on the Hospital buildings; the Visitors consider that this policy is appropriate given the historic nature of the buildings and the nature of the Hospital's activities which ensure that the buildings are maintained in an excellent state of repair.

Investments
Investment properties are included in the balance sheet at their estimated market value. Investment properties are formally revalued at least every five years by relevant professional valuers and are reviewed annually to ensure that the most recent formal valuation is still reasonable. No depreciation is provided in respect of investment properties as these are held for investment and the Visitors consider that this policy is necessary to give a true and fair view.

Listed investments held for investment purposes are stated at market value at the balance sheet date; gains and losses arising on revaluation are credited or debited to the appropriate fund through the SOFA.

Current asset investments are short term highly liquid investments held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Dividends and interest from investments are credited to income on a receivable basis.

Retirement benefits
The Hospital operates a defined contribution pension scheme. The pension costs charged against operating income are the contributions payable to the scheme in respect of the accounting year.

Grants payable
Grants are recognised in the financial statements when a commitment has been made, and there are no conditions to be met relating to the grant which remain in the control of the charity. Grants with performance conditions are only recognised in the financial statements once the recipient of the grant has provided the specified service or output.

Company registration number 6906918 Charity registration number 1130351

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

		Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2022 £**	Total 2021 £
1. INCOME						
1a) Donations						
Towards costs of running the Hospital		-		4,941	**4,941**	9,098
Towards Blackford Room development		-	-	-	**-**	9,050
		-	-	4,941	**4,941**	18,148
1b) Charitable activities						
Contributions from residents		-	-	162,766	**162,766**	169,814
1c) Investment activities						
Investment property income		-	-	261,659	**261,659**	266,881
Dividends and bank interest		97,635	-	10,645	**108,280**	108,067
		97,635	-	272,304	**369,939**	374,948
Total income		97,635	-	440,011	**537,646**	562,911
2. EXPENDITURE ON RAISING FUNDS						
Investment property costs:						
Costs of Estate management		-	-	64,522	**64,522**	43,284
Day-to-day repairs and maintenance		-	-	22,841	**22,841**	29,037
		-	-	87,363	**87,363**	72,320
Brokers management fees	7b	26,584	-	-	**26,584**	27,261
Costs of fundraising for Blackford Room		-	-	-	**-**	2,389
		26,584	-	87,363	**113,947**	101,970
3. EXPENDITURE ON CHARITABLE ACTIVITIES						
a) Hospital operating costs						
Employment costs	Note 5	-	-	128,606	**128,606**	149,087
Other Hospital costs		-	-	145,774	**145,774**	165,878
Day-to-day running costs		-	-	274,380	**274,380**	314,965
Almshouse repairs and improvements		-	13,775	165,687	**179,462**	133,112
Former Residents' Bequest expenditure		-	-	3,617	**3,617**	1,907
		-	13,775	443,684	**457,459**	449,984
b) Administration costs						
Accountancy and charity administration		-	-	35,803	**35,803**	37,961
Legal and professional fees				15,760	**15,760**	-
Other administration expenses		-	-	5,918	**5,918**	13,770
		-	-	57,481	**57,481**	51,731
c) External grants						
Grants made to institutions		-	-	932	**932**	932
d) Exceptional costs						
Hospital: Blackford Room development		5,690	-	-	**5,690**	31,295
Hospital: Heating Project		3,954	-	-	**3,954**	79,979
Hospital: Garages and tack room		3,110			**3,110**	-
Estate: costs re future development sites		25,390	-	-	**25,390**	36,265
Estate: professional fees re future strategy		36,338	-	670	**37,008**	8,872
		74,482	-	670	**75,152**	156,411

	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2022 £**	Total 2021 £
3. EXPENDITURE ON CHARITABLE ACTIVITIES					
e) Governance Costs					
Audit fees	-	-	7,743	**7,743**	6,232
	-	-	7,743	**7,743**	6,232

Audit and accountancy fees:	Audit services	**7,743**	6,232
(all inclusive of VAT)	Non-audit services - payroll preparation	**-**	486

4. TOTAL EXPENDITURE

		Staff costs £	Repair costs £	Exceptional £	Other costs £	**2022 £**	2021 £
Investment property costs	Note 2	-	22,841	-	64,522	**87,363**	72,320
Investment man.charges	Note 7b	-	-	-	26,584	**26,584**	27,261
Cost of Fundraisers	Note 2	-	-	-	-	**-**	2,389
Hospital operating costs	Note 3a	128,606	179,462	-	149,391	**457,459**	449,984
Administration costs	Note 3b	-	-	-	57,481	**57,481**	51,731
External grants	Note 3c	-	-	-	932	**932**	932
Exceptional costs	Note 3d	-	-	75,152	-	**75,152**	156,411
Governance costs	Note 3e	-	-	-	7,743	**7,743**	6,232
Total resources expended		128,606	202,303	75,152	306,653	**712,714**	767,260

5. STAFF COSTS AND RENUMERATION OF KEY MANAGEMENT PERSONNEL

Staff costs during the year were:	**2022 £**	2021 £
Wages and salaries	**120,503**	139,617
Employers National Insurance contributions (less Employment Allowance)	**6,060**	6,951
Pension contributions	**2,043**	2,519
	128,606	149,087

Wages and salaries include redundancy costs amounting to £nil (2020-21: £26,718).

Average number of employees for the year - 5 (2020-21: 5). None earned in excess of £60,000 (2020-21 none).

The Trust considers its key management personnel comprise the trustees and the Master. The total employment benefits of the key management personnel, including employer's pension contributions, were £42,742 (2020-21: £39,585).

6. HERITAGE ASSETS

	2022 £	2021 £
At valuation	**1,100,000**	1,100,000

The Visitors, after receiving professional advice, have determined that the Hospital is a heritage asset. As a result of the age of the Hospital there are no records of the original cost; the Hospital buildings are included at a desktop valuation provided by qualified valuers at 31 October 2004, based on existing use values.

Expenditure incurred during the four years to 31 October 2022 on the construction of the Blackford Room amounted to £1,185,512, comprising £1,011,700 paid to the contractor, £131,556 of professional fees, and £42,255 of other costs. The Visitors consider that there has been no overall increase in the value of the Heritage Asset as a result of this expenditure, and therefore the whole of the construction cost has been written off.

As there are no plans to alter the use of the Hospital buildings, the Visitors do not believe that the costs of carrying out any further revaluations of the Hospital buildings can be justified.

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 OCTOBER 2022

7. INVESTMENTS

a) Freehold investment properties

			2022	2021
			£	£
At beginning of the year			**15,028,548**	12,131,410
Movement in year:	Sales proceeds		**(1,763,062)**	-
	Profit arising on sales	Note 12	**670,089**	-
	Surplus arising on revaluation	Note 12	**398,288**	2,897,138
At end of the year			**14,333,863**	**15,028,548**

The Hospital's Land Agents, Fowler Fortescue, revalued the investment properties on an Open Market Value basis at 31 October 2022. This produced an unrealised gain on revaluation of £398,288 (2021: £2,897,138) which has been included in the financial statements, the gain being credited to the Permanent Endowment Fund.

b) Investment portfolio

		Permanent Endowment	Unrestricted: Former Residents Bequest	Total 2022	Total 2021
			£	£	£
Investment income received		97,635	2,518	**100,153**	107,171
Management fees charged		(26,584)	-	**(26,584)**	(27,261)
Funds invested / (withdrawn)		(197,000)	(2,518)	**(199,518)**	(2,517)
Unapplied total return allocated to income		(97,635)	-	**(97,635)**	(104,654)
Realised and unrealised gains/(losses):					
Permanent Endowment	Note 8	(400,725)	-	**(400,725)**	468,578
Former Residents Bequests	Note 14		(11,218)	**(11,218)**	10,626
Net increase in portfolio value		(624,309)	(11,218)	**(635,527)**	451,943
Opening valuation		3,831,970	94,262	**3,926,232**	3,474,289
Closing valuation		**3,207,661**	**83,044**	**3,290,705**	3,926,232
Historical cost of listed investments		2,910,750	78,760	**2,989,510**	3,192,553
The investments are held as follows:	Investment portfolio			**3,190,349**	3,878,859
	Cash balances held by brokers			**100,356**	47,373
				3,290,705	3,926,232

At the end of the reporting period the following holdings comprised more than 5% of the value of the portfolio.

Sarasin Endowments Fund Class A - Income	**3,190,349**	3,878,859

As described in note 10, the permanent endowment investment portfolio contains £381,272 of unrestricted funds

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2022

8. MOVEMENT IN UNAPPLIED TOTAL RETURN

Unapplied total return is calculated from a start date of 11 August 2011. The Hospital's policy is to transfer into unrestricted (Income) funds each year an amount approximately equal to 3% of the opening value of the Permanent Endowment investment portfolio, which is available for charitable uses. For 2021-22 this transfer amounted to £97,635 (2020-21: £104,654). This is funded from the total investment returns (income and gains, less management charges) on the Hospital investments. The Visitors intend to keep the distribution rate under review and adjust as necessary to take account of prevailing rates of investment return.

The amount of Permanent Endowment invested under the Total Return basis comprises:

			2022	2021
			£	£
Total fixed assets			**18,724,568**	20,054,780
Exclude:	Heritage assets: The Hospital	Note 6	**(1,100,000)**	(1,100,000)
	Investment properties	Note 7a	**(14,333,863)**	(15,028,548)
	Residents Bequest Fund investments		**(83,044)**	(94,262)
			3,207,661	3,831,970

		Permanent Endowment	Unapplied total return	**Total 2022**	Total 2021
		£	£	**£**	£
At beginning of period		2,628,681	1,203,289	**3,831,970**	3,390,653
Investment returns:	Realised and unrealised gains		(400,725)	**(400,725)**	468,578
	Investment income receivable		97,635	**97,635**	104,654
	Investment management costs		(26,584)	**(26,584)**	(27,261)
			(329,674)	**(329,674)**	545,971
Unapplied total return allocated to income			(97,635)	**(97,635)**	(104,654)
Unapplied total return unallocated at year-end			(427,309)	**(427,309)**	441,317
Additional funds invested / (withdrawn)		(197,000)	-	**(197,000)**	-
Net movement in reporting period		(197,000)	(427,309)	**(624,309)**	441,317
At end of period		2,431,681	775,980	**3,207,661**	3,831,970

As described in note 10, the permanent endowment investment portfolio contains £381,272 (2020-21: £453,447) of unrestricted funds. For simplicity the calculation of unapplied total return is based on the entire portfolio.

9. DEBTORS

	2022	2021
	£	£
Investment income - rental income held by Agents	**-**	41,542
Investment income - amounts due from tenants	**46**	4,266
Prepayments and other debtors	**19,215**	18,714
	19,261	64,522

10. INTERFUND BALANCES

The Charity holds two portfolios with Sarasin Asset Management". The larger of the two portfolios makes up part of the Charity's Endowment assets.
Although the investment portfolio is allocated to the endowment fund – it includes a balance of £381,272 (2021: £453,447) of unrestricted funds. The interfund balances reflects this unrestricted element of the portfolio.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2022

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2022	2021
		£	£
Trade creditors:	Endowment Fund - re Blackford Room	-	25,342
	Unrestricted Funds	**45,141**	77,114
Accruals and other creditors		**16,261**	15,596
Lease surrender liability		**650,000**	-
Social security and other taxes		**2,088**	413
		713,490	118,466

During the year, a liability of £650,000 became due to a lessee of one of the Charity's investment properties. In return, the lessee has surrendered the property for the remaining term of the lease.
Any corresponding increase in the value of the investment properties, as a result of the lease surrender, will be reflected in the 2022/23 financial statements.

12. PERMANENT ENDOWMENT FUND

		2022	2021
		£	£
Income			
Donations towards Blackford Room development	Note 1a	-	9,050
Expenditure charged against Endowment Funds:			
Hospital: Blackford Room fundraising costs	Note 2	-	(2,389)
Hospital: Blackford Room development	Note 3d	**(5,690)**	(6,661)
Hospital: Heating Project	Note 3d	**(3,954)**	(79,979)
Hospital: Garages and tack room	Note 3d	**(3,110)**	
Estate: costs re future development site	Note 3d	**(25,390)**	(36,265)
Estate: professional fees re future strategy	Note 3d	**(36,338)**	-
Net expenditure in the year		**(74,482)**	(116,244)
Realised gain arising on sale of Investment Properties	Note 7	**670,089**	-
Unrealised gain arising on revaluation of Investment Properties	Note 7	**398,288**	2,897,138
Funds withdrawn from investment portfolio	Note 7	**197,000**	-
Lease surrender	Note 11	**(650,000)**	-
Unapplied total return unallocated at year-end	Note 8	**(624,309)**	441,317
Net movement in funds during the year		**(83,415)**	3,222,211
Fund balances brought forward at start of year		**19,551,729**	16,329,518
Fund balance carried forward at end of year		**19,468,314**	19,551,729

13. RESTRICTED FUNDS

		2022	2021
Extraordinary Repairs Fund		£	£
Expenditure during the year	Note 3a	**(13,775)**	(13,775)
Annual transfer from income account	Note 14	**13,775**	13,775
Net movement in funds during the year		-	-
Fund balances brought forward at start of year		-	-
Fund balances carried forward at end of year		-	-

Under the terms of the governing Orders, the Visitors are required to transfer a minimum of £690 into an Extraordinary Repairs Fund, to fund major long-term modernisation and repairs. The Visitors have agreed to provide for these repairs using the Almshouse Association suggested contribution rates of £475 per flat, which produces an annual charge of £13,775. Costs of remodelling flats during the year exceed this figure - an equal cost has therefore been charged against the Fund.

Company registration number 6906918 Charity registration number 1130351

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 OCTOBER 2022

14. UNRESTRICTED FUNDS

		Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total 2022**	Total 2021
		£	£	£	£	**£**	£
Surplus/(deficit) for the year		45,540	(202,302)	(1,100)	-	**(157,862)**	(151,723)
Allocated to Building Fund		(130,000)	130,000	-	-	**-**	-
Outgoing resources before transfers		(84,460)	(72,302)	(1,100)	-	**(157,862)**	(151,723)
Transfers							
Total Asset Return adjust.	Note 7	97,635	-	-	-	**97,635**	104,654
Extraordinary Repairs	Note 13	(13,775)	-	-	-	**(13,775)**	(13,775)
Outgoing resources after transfers		(600)	(72,302)	(1,100)	-	**(74,002)**	(60,844)
Investment gain	Note 7	-	-	(11,218)	-	**(11,218)**	10,626
Net movement in funds during year		**(600)**	**(72,302)**	**(12,318)**	**-**	**(85,220)**	(50,218)
Fund balances at start of year		187,629	244,362	104,228	-	**536,219**	586,437
Fund balances at end of year		**187,029**	**172,060**	**91,910**	**-**	**450,999**	536,219

Buildings Fund
Repairs, maintenance and modernisation costs arise erratically over the years; if charged directly to the Income Fund the amount of surplus in any year can vary greatly. The object of the Buildings Fund is to even out the charge against the Income Fund by debiting a regular annual amount against it and crediting the same to the Buildings Fund against which expenditure on repairs, maintenance and modernisation is then charged.

The Visitors consider that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Giving Fund
Every year the Visitors decide on the amounts to allocate for external donations to local and regional beneficiaries. In view of the large cash requirement to fund the Blackford Room, no further amount has been allocated for grants.

Former Residents Bequests Fund
From time to time Residents have left bequests to the Hospital. These are kept in a separate fund, the income from which is made available for items of expenditure which will be to the benefit of all residents, as recommended by the House Committee and endorsed by the Visitors.

15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 October 2022 and 31 October 2021 there were no capital commitments or contingent liabilities.

16. TAXATION

The charitable company is exempt from taxation on income and gains falling within categories covered by Part II, Chapter 3 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

17. PAYMENTS TO TRUSTEES AND CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS

No remuneration or reimbursement of expenses was paid during the year to any of the Visitors.

The charitable company has purchased trustees' liability insurance costing £1,124 (2020-21: £1,358). The Charity Commission has confirmed that the Visitors have the power to take out such an insurance policy.

No related party transactions took place during the year or prior year.

18. LIABILITIES OF MEMBERS

Under paragraph 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1, in the event of it being wound up during the year of membership and within one year afterwards.

Company registration number 6906918 Charity registration number 1130351

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2022

19a. PRIOR YEAR COMPARATIVES - STATEMENT OF FINANCIAL ACTIVITIES

	Endowment Funds	Restricted Funds	Unrestricted Funds	**Total**
	£	£	£	**£**
Income from:				
Donations and legacies	9,050	-	9,098	18,148
Charitable activities	-	-	169,814	169,814
Investments	104,654	-	270,295	374,948
Total income	113,704	-	449,207	562,911
Expenditure on:				
Raising Funds	29,650	-	72,320	**101,970**
Charitable activities:				
Hospital operating costs	-	13,775	436,209	**449,984**
Administration costs	-	-	51,731	**51,731**
External grants	-	-	932	**932**
Exceptional costs	122,905	-	33,506	**156,411**
Governance costs	-	-	6,232	**6,232**
	122,905	13,775	528,610	**665,290**
Total expenditure	152,555	13,775	600,930	**767,260**
Net expenditure before gains	**(38,851)**	**(13,775)**	**(151,723)**	**(204,349)**
Net gains on investments:				
Investment properties	2,897,138	-	-	**2,897,138**
Investment portfolio	468,578	-	10,626	**479,204**
Net income / (expenditure) before transfers	3,326,865	(13,775)	(141,097)	**3,171,993**
Transfers between funds	(104,654)	13,775	90,879	**-**
Net movement in funds	**3,222,211**	**-**	**(50,218)**	**3,171,993**
Fund balances brought forward	16,329,518	-	586,437	**16,915,955**
Fund balances carried forward	**19,551,729**	**-**	**536,219**	**20,087,948**

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2022

19b. PRIOR YEAR COMPARATIVES - BALANCE SHEET AND FUNDS

	Endowment Funds	Restricted Funds	Unrestricted Funds	Total 2021
	£	£	£	£
Fixed assets				
Heritage assets: The Hospital	1,100,000	-	-	**1,100,000**
Investments:				
Freehold properties	15,028,548	-	-	**15,028,548**
Investment portfolio	3,831,970	-	94,262	**3,926,232**
	19,960,518	-	94,262	**20,054,780**
Current assets				
Debtors	-	-	64,522	**64,522**
Interfund balances	(453,447)	-	453,447	**-**
Cash at bank and in hand	70,000	-	17,112	**87,112**
	(383,447)	-	535,081	**151,634**
Creditors: amounts falling due within one year	(25,342)	-	(93,124)	**(118,466)**
Net current assets / (liabilities)	(408,789)	-	441,957	**33,168**
Total assets less current liabilities	**19,551,729**	**-**	**536,219**	**20,087,948**
Capital funds				
Permanent Endowment Fund	19,551,729	-	-	**19,551,729**
Income funds				
Restricted	-	-	-	**-**
Unrestricted	-	-	536,219	**536,219**
	19,551,729	**-**	**536,219**	**20,087,948**

UNRESTRICTED FUNDS COMPRISE:

	Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	Total
	£	£	£	£	£
Surplus/(deficit) for the year	9,816	(162,149)	610	-	**(151,723)**
Allocated to Building Fund	(130,000)	130,000	-	-	**-**
Outgoing resources before transfers	(120,184)	(32,149)	610	-	**(151,723)**
Transfers					
Permanent Endowment	104,654	-	-	-	**104,654**
Extraordinary Repairs	(13,775)	-	-	-	**(13,775)**
Outgoing resources after transfers	(29,305)	(32,149)	610	-	**(60,844)**
Investment losses	-	-	10,626	-	**10,626**
Net decrease in funds during year	**(29,305)**	**(32,149)**	**11,236**	**-**	**(50,218)**
Fund balances at start of year	216,934	276,511	92,992	-	**586,437**
Fund balances at end of year	**187,629**	**244,362**	**104,228**	**-**	**536,219**

HUGH SEXEY'S HOSPITAL

England & Wales - Charity number 1130351

Accounts

HUGH SEXEY'S HOSPITAL



REPORT OF THE VISITORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

Company Registration Number 6906918

Charity Registration Number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

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Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2021

The trustees, who are known as the Visitors, are pleased to present their annual report together with the financial statements of the charity for the year ending 31 October 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Office	Hugh Sexey's Hospital, High Street, Bruton, Somerset, BA10 0AS

Visitors (all are Trustees, and Directors of the charitable company):

James Buxton (Chairman)	Lucinda Sunnucks
Edward Bond	Michael.Bowman
Dr Susanna Davidson	Paul Hadow (Retired 9 April 2021)
General Sir Alex Harley	Ian Hepburn
Edward Hobhouse	The Hon. Andrew Jolliffe
Emily Showering	Mark Stanley-Smith
Ann Lee	Susanne Deverell (Appointed 30 July 2021)
Julia de Salis (Appointed 30 July 2021)	Elizabeth Winkley (Retired 9 April 2021)
Dan Bradshaw (Appointed 30 July 2021)	

Officers and Advisors

The Master	Helen Rogerson (Appointed 11 October 2021) Col. Simon Bate OBE (Retired 22 July 2021)
Finance and Administration	The Trust Partnership (Appointed 1 May 2021) 6 Trull Farm Buildings, Tetbury, Glos.
Land Agents	Fowler Fortescue The Old Dairy, Fonthill Bishop, Salisbury.
Investment Advisers	Sarasin & Partners LLP Juxon House, 100 St Paul Churchyard, London.
Bankers	CAFBank Ltd, 25 Kings Hill Avenue, West Malling, Kent.
Auditors	Monahans, Fortescue Ho, Court St, Trowbridge, Wiltshire.
Solicitors	Loxleys, Langford Mill, Wotton-Under-Edge, Glos.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Hugh Sexey's Hospital is a charitable company incorporated and registered with the Charity Commission (1130351) on 15 May 2009. The charity is administered in accordance with a Charity Commission Scheme dated 23 November 2009. The charitable company known as Hugh Sexey's Hospital (company registration 06906918) is limited by guarantee and was registered on 12 May 2009.

The Trustees of the charity, who are known as the Visitors, are also all directors of the charitable company. During the year, Visitors made a resolution to increase their number from fifteen to sixteen to allow for succession planning and a diverse skill set given the charity's diverse range of investments which include an estate gifted by the original benefactor, Hugh Sexey in 1638. Visitors are appointed in accordance with the provisions of the charitable company's Articles. All Visitors give their time voluntarily and receive no benefits from the charitable company.

As part of the induction process, new Visitors are briefed on the background and history of the Hospital and their responsibilities under charity law by the Chairman and the Master. A file of relevant documents is provided and all Visitors are encouraged to attend The Almshouse Association Seminars.

The Visitors, who are all unremunerated, meet four times a year; there are sub-committees covering House (Residents), Buildings, Finance, Estate matters. The Visitors receive regular reports from the Master, Finance Manager, Land Agents, and Investment Advisers, and make all policy decisions.

There are five staff members: the Master (who acts as the operational manager), Warden, Assistant Warden, Housekeeper and Gardener who are all employed within the Hospital. Their remuneration is reviewed annually by the Visitors, taking into account changes in their roles and responsibilities and comparison to remuneration levels for similar roles in other organisations. During the year there was a change in the Master which allowed for an external review of salary by a specialist charity recruitment advisor.

The Visitors have an on-going detailed risk assessment process to identify the major risks to which the Hospital is exposed, review the relative significance of the risks that were identified through an assessment of their risk and probability, and then satisfy themselves as to the adequacy of the systems established to manage and mitigate these risks. This assessment is regularly reviewed and updated by the Visitors at every sub-committee meeting.

The most significant risks are assessed in relation to the activities outlined in the next section and include:

- Safety, security and wellbeing of the almshouse residents.
- Rates of occupancy.
- Maintenance of the historic fabric of the almshouses to provide dwellings fit for purpose.
- Management of the investment portfolio.
- Management of the endowment known as the Blackford Estate.

The charity is a member of The Almshouse Association.

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2021

OBJECTIVES AND ACTIVITIES

The Object of the charity is to provide almshouse accommodation for eligible beneficiaries within the area of benefit which includes Bruton and named parishes. Eligibility includes local older people in need. The use of the word Hospital refers to the historic term for an almshouse and has no relevance to the accommodation provided today.

Further Objects are charitable purposes for the benefit of residents and other such charitable purposes as the Visitors decide.

The Visitors fulfil these objectives by administering the Almshouses, which provide subsidised accommodation in twenty-five flats within the Hospital buildings, fostering the schools established by the founder of the Hospital, and making donations for charitable purposes, mainly for the benefit and well-being of the young and the elderly or to other charities with similar objectives.

Activities central to the provision of the almshouses include measures to ensure resident welfare, through the provision of a warden, regular contact and fostering community spirit. Ensuring that vacant flats are re-allocated within as short a time as possible commensurate with refurbishing where necessary. Maintaining the almshouse buildings, which are listed or within the curtilage of a listed building, and ensuring they remain fit for purpose. Managing the investment portfolio and the endowment properties on the estate to ensure maximum income for the almshouses and the charitable purposes.

Public Benefit

The Visitors have reviewed the Charity Commission's guidance on the requirement to report on public benefit. They are satisfied that the work of the Hospital in providing almshouses, as described above, accords with its stated objects and provides tangible public benefit to those eligible within the area stipulated within the governing document. There are no voids within the almshouse and residents are allocated accommodation following an application process where the resident in greatest need is offered accommodation at the time a vacancy arises.

Weekly Maintenance Contributions are paid by residents. Occupation is by way of a beneficiary licence. Levels of contributions are set by the Visitors taking into account comparable charges such as the Valuation Office Equivalent Fair Rent and the specimen outline budget from The Almshouse Association.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2021

ACHIEVEMENTS AND PERFORMANCE

This has continued to be a difficult year with continuing social distancing restrictions being put in place from mid-March 2020 as a result of the pandemic. The Hospital remained closed to the public throughout the year, and Government guidelines with regard to social distancing and socialising were enforced. This continues to place challenges on both staff and residents especially for those residents with distant family and friends and the continuation of day-to-day care services that are provided by social services. Fortunately, the completion of the community space known as the Blackford Room in October 2020 meant that residents could gather at appropriate distance and support each other.

During the year occupancy in the Almshouses remained at capacity and we had no voids. A list of interested potential residents was maintained and regular contact was maintained between them and the Master.

The garden continued to provide surplus fruit and vegetable produce which was donated to local charities in Bruton and Wincanton.

Quinquennial repairs and refurbishment have continued through the year, where possible concentrating on external works. Phase 1 of the new boiler project has been completed.

A Giving Committee agrees the Hospital's policy for external donations, in compliance with the third of the Hospital's objects, and distributes funds accordingly. However, in view of the high level of expenditure in the previous and current year, no further amounts have been allocated for giving.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2021

FINANCIAL REVIEW

Financial results

Investment income amounts to £374,948 (2020: £381,602), a decrease of £6,654 (1.7%), due to a reduction in dividend income. Residents' contributions were increased by 2.5% from September 2021 and amounted to £169,814 (2020: £166,537). After receipt of donations amounting to £18,148 (2020: £221,575), including £9,050 (2020: £216,720) received towards the Blackford Room, total income reduced by £206,803 to £562,911.

Expenditure on raising funds comprises costs of managing and maintaining the investment properties, managing the investment portfolio, and fundraising towards the Blackford Room, and amounted to £101,970 (2020: £133,474), a decrease of £31,504 which was largely attributable to decreased fundraising costs (charged as a percentage of amounts raised).

Hospital operating costs have increased by £148,977 to £449,984 (2020: £301,007). Day-to-day running costs have increased by £77,979 due to increased costs of staff and utilities, and Hospital repair costs have increased by £70,743 to £133,112 – these by their nature fluctuate significantly from year to year, as various repair projects are carried out, which was further impacted by Covid-19 which meant that scheduled works had been deferred into the year ended 31 October 2021. Administration and governance costs have increased by £30,982 due to increased accountancy and administration costs.

External grants to local schools amounted to £932 (2020: £932).

Exceptional costs of £156,411 were incurred in the year (2020: £1,162,125). The majority of these were the costs of completing the heating project, which amounted to £79,979. In addition, £31,295 was incurred in completing the Blackford Room, £36,265 was incurred in connection with ongoing development schemes for various investment properties, and £8,872 was incurred in respect of professional fees for future Estate planning matters.

After inclusion of all expenditure, which amounted to £767,260 (2020: £1,624,137) including exceptional costs, there was an overall deficit for the year, before inclusion of gains on investments, of £204,349 (2020: £854,423 deficit).

The Estate properties were revalued by the Hospital's Agents, Fowler Fortescue, at 31 October 2021, which gave rise to a gain of £2,897,138. There was a further increase of £479,204 in the value of the investment portfolio (2020: £79,308 increase in value).

After including all expenditure on the Blackford Room and investment gains, overall funds have increased by £3,171,993 (2020: £775,115 decrease) and amounted to £20,087,948 (2020: £16,915,955) at the year-end.

The Endowment Fund increased in value by £3,222,211 (2020: fell by £837,532) and amounted to £19,551,729 (2020: £16,329,518) at the year-end.

There was an unrestricted deficit of £50,218 arising in the year (2020: surplus of £62,417), therefore Unrestricted Funds decreased to £536,219 (2020: £586,437).

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2021

Information on Fundraising Agreements with Third Parties (as required by the Charities Act 2016)

Hugh Sexey's Hospital engaged Complete Fundraising Ltd to assist with fundraising towards the cost of the Blackford Room. In the year to 31 October 2021, they raised a total of £9,050 (2020: £156,720), at a cost to the Hospital of £2,389 inclusive of VAT (2020: £45,272). The activities of the fundraisers were regularly reviewed by the Visitors and the Master during the year; they adhere to the Institute of Fundraising guidelines for dealing with vulnerable people, and no complaints were received in respect of the fundraising activities carried out on behalf of the Hospital.

Heritage Assets - Hospital properties
In 2004 a desktop valuation of the Hospital was carried out, based on existing use values, which attributed a value of £1,100,000 to the Hospital. In view of the historic nature of the buildings and their central place within the activities of the Hospital, the Visitors do not believe that the cost of further revaluations can be justified. In order to ensure that the Hospital properties are kept fully maintained, the Visitors have a policy of undertaking quinquennial reviews of the state of the buildings – this review was carried out during 2018 by the Hospital's architects and a costed programme of works drawn up to cover all matters identified.

In October 2020 the Blackford Room was completed, at a total cost of £1.25m; the Visitors consider that this cost fails to meet the test for capitalisation of expenditure as there is no subsequent economic benefit arising from this expenditure, and no new charitable outputs, so it has been fully written off against Endowment Funds – there was a residual cost of £97,683 which was written off against the Income Fund in the year ended 31 October 2020.

Investments
Hugh Sexey's Hospital is a permanent endowment, with assets held in perpetuity. The investments comprise agricultural and residential properties, which comprise 79% (2020: 78%) of the value of the investments, and an investment portfolio. The Visitors regularly review the constituent parts of the Hospital's endowment, to monitor the balance between the values of the investment properties and the Stock Exchange investments but realise that with fluctuations in values, the ratio will change over time.

Investment Properties
The Visitors employ agents, Fowler Fortescue, to manage their investment properties, known as the Blackford Estate, and a long-term management strategy is being implemented. It is not possible to adopt a Total Asset Return basis for the investment properties as their illiquid nature means it is impossible to withdraw any unrealised gains without disposing of properties. Fowler Fortescue carried out a desktop revaluation of the Estate on an Open Market Value basis at 31 October 2021, valuing the properties at £15,028,548, an increase in value of £2,897,138 which was credited to the Permanent Endowment Fund. A review of the agents was carried out in 2021 and after a competitive tender exercise, Fowler Fortescue have been reappointed.

Quoted Investment Portfolio
The Visitors adopted in 2011 a Total Return approach to investment management. All investment returns, whether income or realised and unrealised gains and losses, are brought into the Permanent Endowment Fund and the Visitors then agree an annual transfer from the accumulated unapplied total return to the Income Fund, to subsidise the running costs of the Hospital. The Visitors believe this gives a fair balance between the interests of current and future beneficiaries. In 2011 the Permanent Endowment investments were valued at £2,271,405. A further £1,497,619 has subsequently been invested, and cash of £1,140,343 was withdrawn to fund the Blackford Room construction. Therefore, the balance stands at £2,628,681 (2020: £2,628,681).

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REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2021

After discussions with the investment managers the annual transfer to the Income Fund was set at 3% of the opening value of the portfolio (excluding cash balances), or £101,200. Total investment returns in the year amounted to £545,971 (2020: £153,932) - actual income received of £104,654 was slightly more than the target so this amount has been credited to the Income Fund, leaving £441,317 credited to Unapplied Total Return. Therefore, the cumulative balance since the policy was adopted now amounts to £1,203,289 (2020: £761,972). When added to the Capital balance, the closing portfolio has a value of £3,831,970 (2020: £3,390,653).

RESERVES POLICY

At the start of the year, total unrestricted funds were in surplus by £586,437. During the year, unrestricted funds have decreased by £50,218 to amount to £536,219 at the year-end.

Under the terms of the Hospital's governing documents, the Visitors are obliged to maintain the Hospital, which is a Grade I listed building and inalienable, and they believe it prudent to maintain reserves in a designated Building Fund to allow them to cover anticipated repair costs for both the Hospital and the investment properties. The Visitors considered the amount that should be held, in light of the works revealed in the quinquennial survey of the Hospital carried out in 2018, which were costed at £230,000, and decided that a fund balance of approximately £240,000 is appropriate.

This year a transfer of £130,000 (2020: £130,000) has been made into the Building Fund. Expenditure amounted to £162,149, giving rise to a deficit of £32,149, so the closing Fund balance amounts to £244,362 (2020: £276,511). Costs are higher in the year because works which had been scheduled for 2019-20 were deferred into 2020-21. The Visitors are of the opinion that the closing balance held within the Building Fund is sufficient to fund foreseeable repair costs.

The Hospital has a Residents Bequest Fund, comprising amounts left to the Hospital in previous years which have been designated to provide benefits for residents; this has been invested and is managed by the investment managers. During the year, due to the cancellation of residents' events, there was a surplus of £610; after including an increase of £10,626 in the value of investments, the fund increased by £11,236 to amount to £104,228 (2020: £92,992) at the year-end.

The unrestricted Income Fund, being amounts that have not been designated by the Visitors, as described above, has decreased by £29,305 during the year to stand at £187,629 (2020: £216,934) at the year-end. This represents approximately six months of Hospital operating and administration costs, which the Visitors consider to be a prudent level of reserves.

PLANS FOR FUTURE YEARS

The overall plans are to keep the almshouse accommodation fully occupied by eligible residents and to maintain a good community spirit within the Hospital by continuing to employ experienced staff, keeping the fabric of the Hospital in good order, ensuring as far as possible that the Almshouses are suitable for the changing needs of an older population, and to maintain the value of the Hospital's endowment, with a view to passing the Hospital on to future generations.

The Visitors will continue to maximise the income from the endowment to the charity through estate management advised by Fowler Fortescue land agents. There are potential landlord liabilities identified in relation to the replacement of buildings and fittings and the agents are advising on options available to the Visitors. In this regard there are plans to re-develop certain areas of the estate, subject to the required permissions for charity land disposal, which will ensure sustained income from an efficient estate into the medium to long term.

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL
(A charitable company limited by guarantee)

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2021

With the recent completion of the capital project to provide a community room within the Hospital, Visitors are concentrating on a repairs programme identified in the quinquennial surveys.

VISITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Visitors (who are also directors of Hugh Sexey's Hospital for the purposes of company law) are responsible for preparing the Report of the Visitors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Visitors 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 the year. In preparing these financial statements, the Visitors 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Visitors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 Visitors are aware:

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

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Section 415a of the Companies Act 2006.

Approved by the Visitors on 5 July 2022 and signed on their behalf by: -

J.R.F. Buxton.

Mr J Buxton – Chairman of Visitors

Company registration number 6906918 Charity registration number 1130351

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2021

Opinion

We have audited the financial statements of Hugh Sexey's Hospital (the 'charitable company') for the year ended 31 October 2021 which comprise Statement of Financial Activities, Balance Sheet, Cashflow 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 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 Auditor's 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 charity'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 Visitors are responsible for the other information. The other information comprises the information included in the Report of the Visitors, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2021 (continued)

- the information given in the Report of the Visitors (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Visitors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Visitors

As explained more fully in the Visitors' responsibilities statement set out on page 8, the Visitors (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 Visitors 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 Visitors 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 Visitors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities, and fraud;
- Reviewing the minutes of Board of Trustees meetings;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing of expenses;
- Performing analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud;
- Reviewing of the financial statements disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- Identifying and testing journal entries, in particular any journal entries with fraud characteristics such as journals with round numbers.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2021 (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Gare (Senior Statutory Auditor)
for and on behalf of Monahans
Statutory Auditor
Chartered Accountants
Fortescue House, Court Street
Trowbridge, Wiltshire
BA14 8FA

11 July 2022

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2021

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2021 £**	Total 2020 £
Income from:						
Donations	1a	9,050	-	9,098	18,148	221,575
Charitable activities	1b	-	-	169,814	169,814	166,537
Investment activities	1c	104,654	-	270,295	374,948	381,602
Total income		113,704	-	449,207	562,911	769,714
Expenditure on:						
Raising Funds	2	29,650	-	72,320	**101,970**	133,474
Charitable activities:						
Hospital operating costs	3a	-	13,775	436,209	**449,984**	301,007
Administration costs	3b	-	-	51,731	**51,731**	20,749
External grants	3c	-	-	932	**932**	932
Exceptional costs	3d	122,905	-	33,506	**156,411**	1,162,125
Governance costs	3e	-	-	6,232	**6,232**	5,850
		122,905	13,775	528,610	**665,290**	1,490,663
Total expenditure	4	152,555	13,775	600,930	**767,260**	1,624,137
Net expenditure before gains		**(38,851)**	**(13,775)**	**(151,723)**	**(204,349)**	(854,423)
Net gains on investments:						
Investment properties	7a	2,897,138	-	-	**2,897,138**	-
Investment portfolio	7b	468,578	-	10,626	**479,204**	79,308
Net income / (expenditure) before transfers		3,326,865	(13,775)	(141,097)	**3,171,993**	(775,115)
Transfers between funds	13 & 14	(104,654)	13,775	90,879	**-**	-
Net movement in funds		**3,222,211**	**-**	**(50,218)**	**3,171,993**	(775,115)
Fund balances brought forward		16,329,518	-	586,437	**16,915,955**	17,691,070
Fund balances carried forward		**19,551,729**	**-**	**536,219**	**20,087,948**	16,915,955

The above results relate wholly to continuing activities; there were no recognised gains or losses other than those included above. The Statement of Financial Activities also complies with the requirement to prepare an income and expenditure account contained in the Companies Act 2006.

The accompanying accounting policies and notes form an integral part of these financial statements

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

BALANCE SHEET
AT 31 OCTOBER 2021

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2021 £**	Total 2020 £
Fixed assets						
Heritage assets: The Hospital	6	1,100,000	-	-	**1,100,000**	1,100,000
Investments:						
Freehold properties	7a	15,028,548	-	-	**15,028,548**	12,131,410
Investment portfolio	7b	3,831,970	-	94,262	**3,926,232**	3,474,289
		19,960,518	-	94,262	**20,054,780**	16,705,699
Current assets						
Debtors	9	-	-	64,522	**64,522**	22,587
Interfund balances	10	(453,447)		453,447	**-**	
Cash at bank and in hand		70,000	-	17,112	**87,112**	398,811
		(383,447)	-	535,081	**151,634**	421,398
Creditors: amounts falling due within one year	11	(25,342)	-	(93,124)	**(118,466)**	(211,142)
Net current assets / (liabilities)		(408,789)	-	441,957	**33,168**	210,256
Total assets less current liabilities		**19,551,729**	-	**536,219**	**20,087,948**	16,915,955
Capital funds						
Permanent Endowment Fund	12	19,551,729	-	-	**19,551,729**	16,329,518
Income funds						
Restricted	13	-	-	-	**-**	-
Unrestricted	14	-	-	536,219	**536,219**	586,437
		19,551,729	-	**536,219**	**20,087,948**	16,915,955

The Visitors have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Visitors at their meeting on 5 July 2022 and were signed on their behalf by:

J.M.F. Buxton.

Mr J Buxton – Chairman and Director

- Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2021

		Total 2021 £	Total 2020 £
Cash flows from operating activities			
Net outgoing resources, per Statement of Financial Activities		**(204,349)**	(854,423)
Adjustments for:			
Dividends and bank interest		**(108,067)**	(117,707)
(Increase) / decrease in debtors		**(41,935)**	(9,233)
Increase / (decrease) in creditors		**(92,677)**	21,448
Net cash used in operating activities		**(447,027)**	(959,915)
Cash flows from investing activities			
Investment income		**108,067**	117,707
Net proceeds from sale of investment properties	Note 7a	**-**	-
Net proceeds from sale of investments		**27,261**	30,254
Purchases of investments		**(5,090)**	-
Net cash generated from investing activities		**130,238**	147,961
Change in cash and cash equivalents in the reporting period		**(316,789)**	(811,954)
Cash and cash equivalents at the beginning of the reporting period		**451,274**	1,263,228
Cash and cash equivalents at the end of the reporting period		**134,485**	451,274
Analysis of cash and cash equivalents			
Bank Balances		**87,112**	398,811
Cash held as part of investment portfolio		**47,373**	52,463
Total cash and cash equivalents		**134,485**	451,274

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2021

Legal status of the Charity
The Charity is a company limited by guarantee, incorporated in England and Wales, and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the reference and administrative details on page 2 of the financial statements and the nature of the charity's operations and principle activities are detailed in the Report of the Visitors.

Statement of compliance
The charity constitutes a public benefit entity as defined by FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. These financial statements have been prepared in compliance with FRS 102, the 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) (Charities SORP (FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice.

Basis of accounting
The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern
There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty
The Hospital makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Valuation of investment property
An external independent valuer, having appropriate recognised professional qualifications and current experience of the location and type of property being valued, values the charity's investment property. Fair values are based on market values. Market values are the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing.

Taxation
No provision is made for Corporation Tax as the charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

Liabilities
Liabilities are recognised in full in the financial statements as soon as the obligation arises.

Financial instruments
Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. These include cash, debtors other than prepayments, and creditors other than taxation and social security costs and deferred income.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Company registration number 6906918 Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2021

Fund accounting

- **Permanent endowment**: The Hospital has a permanent endowment which it is legally prevented from spending and which must remain intact as part of the Hospital's capital. It has invested the endowment to provide income for its charitable activities.
- **Restricted funds**: these are held to be used for specified purposes as laid down by the governing documents or by the donors
- **Unrestricted funds**: these are other incoming resources received or generated for expenditure on the general objectives of the Hospital. The Visitors have designated certain of the unrestricted funds; they have decided that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Income and expenditure
All income is recognised in full in the statement of financial activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. Expenditure is charged on an accruals basis and is allocated between expenditure incurred on management of the investments, expenditure in fulfilment of the Hospital's objectives (direct charitable expenditure) and expenditure incurred in the governance of the Hospital. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Heritage Assets
The Hospital is a listed building of historical importance and as its preservation and conservation is one of the Hospital's objectives, it is regarded as a heritage asset and the Visitors take steps to ensure it is properly maintained. As a result of the age of the Hospital there is no record of any original costs.

No depreciation is charged on the Hospital buildings; the Visitors consider that this policy is appropriate given the historic nature of the buildings and the nature of the Hospital's activities which ensure that the buildings are maintained in an excellent state of repair.

Investments
Investment properties are included in the balance sheet at their estimated market value. Investment properties are formally revalued at least every five years by relevant professional valuers and are reviewed annually to ensure that the most recent formal valuation is still reasonable. No depreciation is provided in respect of investment properties as these are held for investment and the Visitors consider that this policy is necessary to give a true and fair view.

Listed investments held for investment purposes are stated at market value at the balance sheet date; gains and losses arising on revaluation are credited or debited to the appropriate fund through the SOFA.

Current asset investments are short term highly liquid investments held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Dividends and interest from investments are credited to income on a receivable basis.

Retirement benefits
The Hospital operates a defined contribution pension scheme. The pension costs charged against operating income are the contributions payable to the scheme in respect of the accounting year.

Grants payable
Grants are recognised in the financial statements when a commitment has been made, and there are no conditions to be met relating to the grant which remain in the control of the charity. Grants with performance conditions are only recognised in the financial statements once the recipient of the grant has provided the specified service or output.

Company registration number 6906918 Charity registration number 1130351

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2021

		Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2021 £**	Total 2020 £
1. INCOME						
1a) Donations						
Towards costs of running the Hospital		-		9,098	**9,098**	4,855
Towards Blackford Room development		9,050	-	-	**9,050**	216,720
		9,050	-	9,098	**18,148**	221,575
1b) Charitable activities						
Contributions from residents		-	-	169,814	**169,814**	166,537
1c) Investment activities						
Investment property income		-	-	266,881	**266,881**	263,895
Dividends and bank interest		104,654	-	3,414	**108,067**	117,707
		104,654	-	270,295	**374,948**	381,602
Total income		113,704	-	449,207	**562,911**	769,714
2. EXPENDITURE ON RAISING FUNDS						
Investment property costs:						
Costs of Estate management		-	-	43,284	**43,284**	44,455
Day-to-day repairs and maintenance		-	-	29,037	**29,037**	11,534
		-	-	72,320	**72,320**	55,989
Brokers management fees	7b	27,261	-	-	**27,261**	32,213
Costs of fundraising for Blackford Room		2,389	-	-	**2,389**	45,272
		29,650	-	72,320	**101,970**	133,474
3. EXPENDITURE ON CHARITABLE ACTIVITIES						
a) Hospital operating costs						
Employment costs	Note 5	-	-	149,087	**149,087**	128,658
Other Hospital costs		-	-	165,878	**165,878**	108,328
Day-to-day running costs		-	-	314,965	**314,965**	236,986
Almshouse repairs and improvements		-	13,775	119,337	**133,112**	62,369
Former Residents' Bequest expenditure		-	-	1,907	**1,907**	1,652
		-	13,775	436,209	**449,984**	301,007
b) Administration costs						
Accountancy and charity administration		-	-	37,961	**37,961**	18,150
Other administration expenses		-	-	13,770	**13,770**	2,599
		-	-	51,731	**51,731**	20,749
c) External grants						
Grants made to institutions		-	-	932	**932**	932
d) Exceptional costs						
Hospital: Blackford Room development		6,661	-	24,634	**31,295**	926,775
Hospital: Heating Project		79,979	-	-	**79,979**	173,223
Estate: costs re future development sites		36,265	-	-	**36,265**	52,082
Estate: professional fees re future strategy		-	-	8,872	**8,872**	10,045
		122,905	-	33,506	**156,411**	1,162,125

	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2021 £**	Total 2020 £
3. EXPENDITURE ON CHARITABLE ACTIVITIES					
e) Governance Costs					
Audit fees	-	-	6,232	**6,232**	5,850
	-	-	6,232	**6,232**	5,850
Audit and accountancy fees: (all inclusive of VAT) — Audit services				**6,232**	5,850
Non-audit services - payroll preparation				**486**	849

4. TOTAL EXPENDITURE

		Staff costs £	Repair costs £	Exceptional £	Other costs £	**2021 £**	2020 £
Investment property costs	Note 2	-	29,037	-	43,284	**72,320**	55,989
Investment man.charges	Note 7b	-	-	-	27,261	**27,261**	32,213
Cost of Fundraisers	Note 2	-	-	-	2,389	**2,389**	45,272
Hospital operating costs	Note 3a	149,087	133,112	-	167,785	**449,984**	301,007
Administration costs	Note 3b	-	-	-	51,731	**51,731**	20,749
External grants	Note 3c	-	-	-	932	**932**	932
Exceptional costs	Note 3d	-	-	156,411	-	**156,411**	1,162,125
Governance costs	Note 3e	-	-	-	6,232	**6,232**	5,850
Total resources expended		149,087	162,149	156,411	299,614	**767,260**	1,624,137

5. STAFF COSTS AND RENUMERATION OF KEY MANAGEMENT PERSONNEL

Staff costs during the year were:	**2021 £**	2020 £
Wages and salaries	**139,617**	119,444
Employers National Insurance contributions (less Employment Allowance)	**6,951**	6,784
Pension contributions	**2,519**	2,430
	149,087	128,658

Wages and salaries include redundancy costs amounting to £26,718.

Average number of employees for the year - 5 (2019-20: 5). None earned in excess of £60,000 (2019-20 none).

The Trust considers its key management personnel comprise the trustees and the Master. The total employment benefits of the key management personnel, including employer's pension contributions, were £39,585 (2019-20: £46,061).

6. HERITAGE ASSETS

	2021 £	2020 £
At valuation	**1,100,000**	1,100,000

The Visitors, after receiving professional advice, have determined that the Hospital is a heritage asset. As a result of the age of the Hospital there are no records of the original cost; the Hospital buildings are included at a desktop valuation provided by qualified valuers at 31 October 2004, based on existing use values.

Expenditure incurred during the three years to 31 October 2021 on the construction of the Blackford Room amounted to £1,179,822, comprising £1,011,700 paid to the contractor, £128,056 of professional fees, and £40,066 of other costs. The Visitors consider that there has been no overall increase in the value of the Heritage Asset as a result of this expenditure, and therefore the whole of the construction cost has been written off.

As there are no plans to alter the use of the Hospital buildings, the Visitors do not believe that the costs of carrying out any further revaluations of the Hospital buildings can be justified.

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 OCTOBER 2021

7. INVESTMENTS

a) Freehold investment properties

			2021	2020
			£	£
At beginning of the year			**12,131,410**	12,131,410
Movement in year:	Sales proceeds		**-**	-
	Profit arising on sales	Note 12	**-**	-
	Surplus arising on revaluation	Note 12	**2,897,138**	-
At end of the year			**15,028,548**	**12,131,410**

The Hospital's Land Agents, Fowler Fortescue, revalued the investment properties on an Open Market Value basis at 31 October 2021. This produced an unrealised gain on revaluation of £2,897,138 which has been included in the financial statements, the gain being credited to the Permanent Endowment Fund.

b) Investment portfolio

		Permanent Endowment	Unrestricted: Former Residents Bequest	**Total 2021**	Total 2020
			£	£	£
Investment income received		104,654	2,517	**107,171**	111,526
Management fees charged		(27,261)	-	**(27,261)**	(32,213)
Funds invested / (withdrawn)			(2,517)	**(2,517)**	(1,143,354)
Unapplied total return allocated to income		(104,654)	-	**(104,654)**	(108,515)
Realised and unrealised gains/(losses):					
Permanent Endowment	Note 8	468,578	-	**468,578**	77,630
Former Residents Bequests	Note 14		10,626	**10,626**	1,678
Net increase in portfolio value		441,317	10,626	**451,943**	(1,093,248)
Opening valuation		3,390,653	83,636	**3,474,289**	4,567,537
Closing valuation		**3,831,970**	**94,262**	**3,926,232**	3,474,289
Historical cost of listed investments		3,113,793	78,760	**3,192,553**	3,239,256
The investments are held as follows:	Investment portfolio			**3,878,859**	3,421,826
	Cash balances held by brokers			**47,373**	52,463
				3,926,232	3,474,289

At the end of the reporting period the following holdings comprised more than 5% of the value of the portfolio.

Sarasin Endowments Fund Class A - Income	**3,878,859**	3,421,826

As described in note 10, the permanent endowment investment portfolio contains £453,447 of unrestricted funds

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 OCTOBER 2021

8. MOVEMENT IN UNAPPLIED TOTAL RETURN

Unapplied total return is calculated from a start date of 11 August 2011. The Hospital's policy is to transfer into unrestricted (Income) funds each year an amount approximately equal to 3% of the opening value of the Permanent Endowment investment portfolio, which is available for charitable uses. For 2020-21 this transfer amounted to £104,654. This is funded from the total investment returns (income and gains, less management charges) on the Hospital investments. The Visitors intend to keep the distribution rate under review and adjust as necessary to take account of prevailing rates of investment return.

The amount of Permanent Endowment invested under the Total Return basis comprises:

			2021	2020
			£	£
Total fixed assets			**20,054,780**	16,705,699
Exclude:	Heritage assets: The Hospital	Note 6	**(1,100,000)**	(1,100,000)
	Investment properties	Note 7a	**(15,028,548)**	(12,131,410)
	Residents Bequest Fund investments		**(94,262)**	(83,636)
			3,831,970	3,390,653

		Permanent Endowment	Unapplied total return	**Total 2021**	Total 2020
		£	£	**£**	£
At beginning of period		2,628,681	761,972	**3,390,653**	4,485,579
Investment returns:	Realised and unrealised gains		468,578	**468,578**	77,630
	Investment income receivable		104,654	**104,654**	108,515
	Investment management costs		(27,261)	**(27,261)**	(32,213)
			545,971	**545,971**	153,932
Unapplied total return allocated to income			(104,654)	**(104,654)**	(108,515)
Unapplied total return unallocated at year-end			441,317	**441,317**	45,417
Additional funds invested / (withdrawn)		-	-	**-**	(1,140,343)
Net movement in reporting period		-	441,317	**441,317**	(1,094,926)
At end of period		2,628,681	1,203,289	**3,831,970**	3,390,653

As described in note 10, the permanent endowment investment portfolio contains £453,447 of unrestricted funds. For simplicity the calculation of unapplied total return is based on the entire portfolio.

9. DEBTORS

	2021	2020
	£	£
Investment income - rental income held by Agents	**41,542**	8,591
Investment income - amounts due from tenants	**4,266**	3,700
Prepayments and other debtors	**18,714**	10,296
	64,522	22,587

10. INTERFUND BALANCES

The Charity holds two portfolios with Sarasin Asset Management". The larger of the two portfolios makes up part of the Charity's Endowment assets.
Although the investment portfolio is allocated to the endowment fund – it includes a balance of £453,447 of unrestricted funds. The interfund balances reflects this unrestricted element of the portfolio.

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 OCTOBER 2021

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2021	2020
		£	£
Trade creditors:	Endowment Fund - re Blackford Room	**25,342**	145,162
	Unrestricted Funds	**77,114**	47,566
Accruals and other creditors		**15,596**	7,450
Social security and other taxes		**413**	10,964
		118,466	211,142

12. PERMANENT ENDOWMENT FUND

		2021	2020
		£	£
Income			
Donations towards Blackford Room development	Note 1a	**9,050**	216,720
Expenditure charged against Endowment Funds:			
Hospital: Blackford Room fundraising costs	Note 2	**(2,389)**	(45,272)
Hospital: Blackford Room development	Note 3d	**(6,661)**	(829,092)
Hospital: Heating Project	Note 3d	**(79,979)**	(173,223)
Estate: costs re future development site	Note 3d	**(36,265)**	(52,082)
Net expenditure in the year		**(116,244)**	(882,949)
Realised gain arising on sale of Investment Properties	Note 7	**-**	-
Unrealised gain arising on revaluation of Investment Properties	Note 7	**2,897,138**	-
Unapplied total return unallocated at year-end	Note 8	**441,317**	45,417
Net movement in funds during the year		**3,222,211**	(837,532)
Fund balances brought forward at start of year		**16,329,518**	17,167,050
Fund balance carried forward at end of year		**19,551,729**	16,329,518

13. RESTRICTED FUNDS

		2021	2020
Extraordinary Repairs Fund		£	£
Expenditure during the year	Note 3a	**(13,775)**	(13,775)
Annual transfer from income account	Note 14	**13,775**	13,775
Net movement in funds during the year		**-**	-
Fund balances brought forward at start of year		**-**	-
Fund balances carried forward at end of year		**-**	-

Under the terms of the governing Orders, the Visitors are required to transfer a minimum of £690 into an Extraordinary Repairs Fund, to fund major long-term modernisation and repairs. The Visitors have agreed to provide for these repairs using the Almshouse Association suggested contribution rates of £475 per flat, which produces an annual charge of £13,775. Costs of remodelling flats during the year exceed this figure - an equal cost has therefore been charged against the Fund.

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 OCTOBER 2021

14. UNRESTRICTED FUNDS

		Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total 2021**	Total 2020
		£	£	£	£	**£**	£
Surplus/(deficit) for the year		9,816	(162,149)	610	-	**(151,723)**	(34,001)
Allocated to Building Fund		(130,000)	130,000	-	-	**-**	-
Outgoing resources before transfers		(120,184)	(32,149)	610	-	**(151,723)**	(34,001)
Transfers							
Total Asset Return adjust.	Note 7	104,654	-	-	-	**104,654**	108,515
Extraordinary Repairs	Note 13	(13,775)	-	-	-	**(13,775)**	(13,775)
Outgoing resources after transfers		(29,305)	(32,149)	610	-	**(60,844)**	60,739
Investment gain	Note 7	-	-	10,626	-	**10,626**	1,678
Net movement in funds during year		**(29,305)**	**(32,149)**	**11,236**	**-**	**(50,218)**	62,417
Fund balances at start of year		216,934	276,511	92,992	-	**586,437**	524,020
Fund balances at end of year		**187,629**	**244,362**	**104,228**	**-**	**536,219**	586,437

Buildings Fund
Repairs, maintenance and modernisation costs arise erratically over the years; if charged directly to the Income Fund the amount of surplus in any year can vary greatly. The object of the Buildings Fund is to even out the charge against the Income Fund by debiting a regular annual amount against it and crediting the same to the Buildings Fund against which expenditure on repairs, maintenance and modernisation is then charged.

The Visitors consider that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Giving Fund
Every year the Visitors decide on the amounts to allocate for external donations to local and regional beneficiaries. In view of the large cash requirement to fund the Blackford Room, no further amount has been allocated for grants.

Former Residents Bequests Fund
From time to time Residents have left bequests to the Hospital. These are kept in a separate fund, the income from which is made available for items of expenditure which will be to the benefit of all residents, as recommended by the House Committee and endorsed by the Visitors.

15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 October 2021 and 31 October 2020 there were no capital commitments or contingent liabilities.

16. TAXATION

The charitable company is exempt from taxation on income and gains falling within categories covered by Part II, Chapter 3 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

17. PAYMENTS TO TRUSTEES AND CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS

No remuneration or reimbursement of expenses was paid during the year to any of the Visitors.

The charitable company has purchased trustees' liability insurance costing £1,358 (2019-20: £1,219). The Charity Commission has confirmed that the Visitors have the power to take out such an insurance policy.

No related party transactions took place during the year or prior year.

18. LIABILITIES OF MEMBERS

Under paragraph 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1, in the event of it being wound up during the year of membership and within one year afterwards.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2021

19a. PRIOR YEAR COMPARATIVES - STATEMENT OF FINANCIAL ACTIVITIES

	Endowment Funds	Restricted Funds	Unrestricted Funds	**Total**
	£	£	£	**£**
Income from:				
Donations and legacies	216,720	-	4,855	221,575
Charitable activities	-	-	166,537	166,537
Investments	108,515	-	273,087	381,602
Total income	325,235	-	444,479	769,714
Expenditure on:				
Raising Funds	77,485	-	55,989	**133,474**
Charitable activities:				
Hospital operating costs	-	13,775	287,232	**301,007**
Administration costs	-	-	20,749	**20,749**
External grants	-	-	932	**932**
Exceptional costs	1,054,397	-	107,728	**1,162,125**
Governance costs	-	-	5,850	**5,850**
	1,054,397	13,775	422,491	**1,490,663**
Total expenditure	1,131,882	13,775	478,480	**1,624,137**
Net expenditure before gains	**(806,647)**	**(13,775)**	**(34,001)**	**(854,423)**
Net gains on investments:				
Investment properties	-	-	-	-
Investment portfolio	77,630	-	1,678	**79,308**
Net income / (expenditure) before transfers	(729,017)	(13,775)	(32,323)	**(775,115)**
Transfers between funds	(108,515)	13,775	94,740	-
Net movement in funds	**(837,532)**	**-**	**62,417**	**(775,115)**
Fund balances brought forward	17,167,050	-	524,020	**17,691,070**
Fund balances carried forward	**16,329,518**	**-**	**586,437**	**16,915,955**

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2021

19b. PRIOR YEAR COMPARATIVES - BALANCE SHEET AND FUNDS

	Endowment Funds	Restricted Funds	Unrestricted Funds	**Total 2020**
	£	£	£	**£**
Fixed assets				
Heritage assets: The Hospital	1,100,000	-	-	**1,100,000**
Investments:				
Freehold properties	12,131,410	-	-	**12,131,410**
Investment portfolio	2,895,038	-	579,251	**3,474,289**
	16,126,448	-	579,251	**16,705,699**
Current assets				
Debtors	-	-	22,587	**22,587**
Cash at bank and in hand	350,000	-	48,811	**398,811**
	350,000	-	71,398	**421,398**
Creditors: amounts falling due within one year	(146,930)	-	(64,212)	**(211,142)**
Net current assets / (liabilities)	203,070	-	7,186	**210,256**
Total assets less current liabilities	**16,329,518**	**-**	**586,437**	**16,915,955**
Capital funds				
Permanent Endowment Fund	16,329,518	-	-	**16,329,518**
Income funds				
Restricted	-	-	-	**-**
Unrestricted	-	-	586,437	**586,437**
	16,329,518	**-**	**586,437**	**16,915,955**

UNRESTRICTED FUNDS COMPRISE:

	Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total**
	£	£	£	£	**£**
Surplus/(deficit) for the year	38,543	(73,903)	1,359	-	**(34,001)**
Allocated to Building Fund	(130,000)	130,000	-	-	**-**
Outgoing resources before transfers	(91,457)	56,097	1,359	-	**(34,001)**
Transfers					
Permanent Endowment	108,515	-	-	-	**108,515**
Extraordinary Repairs	(13,775)	-	-	-	**(13,775)**
Outgoing resources after transfers	3,283	56,097	1,359	-	**60,739**
Investment losses	-	-	1,678	-	**1,678**
Net decrease in funds during year	**3,283**	**56,097**	**3,037**	**-**	**62,417**
Fund balances at start of year	213,651	220,414	89,955	-	**524,020**
Fund balances at end of year	**216,934**	**276,511**	**92,992**	**-**	**586,437**

HUGH SEXEY'S HOSPITAL

England & Wales - Charity number 1130351

Accounts

HUGH SEXEY'S HOSPITAL



REPORT OF THE VISITORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

Company Registration Number 6906918

Charity Registration Number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

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Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2020

The trustees, who are known as the Visitors, are pleased to present their annual report together with the financial statements of the charity for the year ending 31 October 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102).

REFERENCE AND ADMINISTRATIVE DETAILS

Visitors (all are Trustees, and Directors of the charitable company):

J A F Buxton (Chairman)

E.Bond	M.Bowman
Dr S Davidson	P Hadow (Retired 31 March 2021)
General Sir Alex Harley	I Hepburn
R Hill (Resigned 17 June 2020)	E Hobhouse
The Hon. A T P Jolliffe	Mrs A Lee
Mrs E Showering (Appointed 10 January 2020)	M Stanley Smith
Mrs L Sunnucks	Mrs E F Winkley (Retired 31 March 2021)

Officers and Advisors

The Master	Col. Simon Bate OBE
Registered Office	Hugh Sexey's Hospital, Bruton, Somerset, BA10 0AS
Finance Manager	Andrew Mullett FCA
Land Agents	Fowler Fortescue, The Old Dairy, Fonthill Bishop, Salisbury
Investment Advisers	Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London
Bankers	CAFBank Ltd, Kings Hill, West Malling, Kent
Auditors	MHA Monahans, Fortescue Ho, Court St, Trowbridge, Wilts
Solicitors	Loxleys, Langford Mill, Wotton-Under-Edge, Glos.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document - Hugh Sexey's Hospital is a charitable company limited by guarantee, incorporated and registered as a charity in 2009. The guarantors are the members to the extent of £1 each.

Appointment of Trustees / Visitors - the Trustees of the charity, who are known as the Visitors, are also all directors of the charitable company. Up to fifteen Visitors may be appointed in accordance with the provisions of the charitable company's Articles. All Visitors give their time voluntarily and receive no benefits from the charitable company.

Visitor induction and training - as part of the induction process, new Visitors are briefed on the background and history of the Hospital. This briefing takes the form of meetings with the Chairman, other Visitors, the Master and the Finance Manager, and the provision of a file of relevant documents. Thereafter, Visitors are circularised with the publications of the Almshouse Association and encouraged to attend their Seminars.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisation - the Visitors, who are all unremunerated, meet four times a year; there are sub-committees covering House, Buildings, Finance, Investment Properties and Giving. The Visitors receive regular reports from the Master, Finance Manager, Land Agents, and Investment Advisers, and make all policy decisions.

Staffing - a Master, Warden, Assistant Warden, Housekeeper and Gardener are employed in the Hospital; their remuneration is reviewed annually by the Visitors, taking into account changes in their roles and responsibilities and comparison to remuneration levels for similar roles in other organisations.

Risk management - the Visitors have an on-going detailed risk assessment process to identify the major risks to which the Hospital is exposed, review the relative significance of the risks that were identified through an assessment of their risk and probability, and then satisfy themselves as to the adequacy of the systems established to manage and mitigate these risks. This assessment is regularly reviewed and updated by the Visitors, most recently in October 2020.

The most significant risks are assessed as being in relation to the:

- Safety, security and wellbeing of the Hospital residents;
- Rates of occupancy within the Hospital;
- Maintenance of the Hospital fabric;
- Management and control of the investment portfolio;
- Need to fund future investments in the Blackford Estate;
- Ability of the Hospital to manage capital projects, in particular the Blackford Room.

OBJECTIVES AND ACTIVITIES

The main objects of the charitable company are:

- The provision of housing accommodation in the almshouses known as Hugh Sexey's Hospital, Bruton, for elderly people (the 'residents') who are in need, hardship, or distress
- Such charitable purposes for the benefit of the residents as the Visitors decide
- Such other charitable purposes as the Visitors decide

The Visitors fulfil these objectives by administering the Almshouses, which provide subsidised accommodation in twenty-five flats within the Hospital buildings, fostering the schools established by the founder of the Hospital, and making donations for charitable purposes, mainly for the benefit and well-being of the young and the elderly or to other charities with similar objectives.

The Hospital has a permanent endowment comprising the Blackford Estate (an agricultural estate on the Somerset Levels), residential properties at Blackford and Bruton, and an investment portfolio. The income from the endowment is used to subsidise the running costs of the Hospital, provide for its continuing upkeep, and fund the other charitable activities.

Public Benefit
The Visitors have reviewed the Charity Commission's guidance on the requirement to report on public benefit. They are satisfied that the work of the Hospital, as described below, accords with its stated objects and provides tangible public benefit to an appropriate section of those who reside within the charitable company’s area of benefit; they believe that the criteria used to assess those who may benefit are not unreasonably restrictive.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2020

OBJECTIVES AND ACTIVITIES (continued)

Public Benefit (continued)

The Visitors have also taken notice of the Charity Commission guidance on the charging of fees. They are currently updating an existing exercise to assess the levels of residents' contributions, which previously showed that on average residents pay only two thirds of a comparable open market rentals, Residents who face financial difficulties are encouraged to apply for Housing and Council Tax Benefits – if any still faced hardship, the Visitors would consider waiving some or all contributions due.

ACHIEVEMENTS AND PERFORMANCE

This has been a difficult year with COVID restrictions being put in place from mid-March. The Hospital was closed, and we followed Government guidelines with regard to social distancing and socialising. This placed challenges on both staff and Residents, particularly as it meant that most contact, unless by exception, was undertaken by telephone or impromptu conversations. Fortunately, warm weather over the summer months made it easier for people to meet at a distance outside, normally in groups of no more than two or three people. Support bubbles were also created and family members, again limited in number, could visit.

During the year occupancy in the Almshouses remained very high and we had no voids. A list of interested potential residents was maintained and regular contact was maintained between them and the Master.

The big success this year has been the completion of the Blackford community room project. The Blackford Room is a 170 sq. m community room built by CG Fry and Sons Ltd, a local builder, and designed by Stephen Marshall Architects. Project scoping, planning, and funding took the Visitors close to four years, the project finally starting in August 2019, to commemorate the 400th anniversary of the death of our founder, Hugh Sexey. The building took 15 months to complete, hampered by an enforced closure caused by the COVID - 19 pandemic and was finally completed in October 2020. The room will be a real game changer for the future social outlook and well-being of our Residents. It has a purpose-built kitchen, and it provides access for all, with a lift designed to assist Residents from moving from one floor to another.

The overall cost of the project was £1,265,292, being building costs of £1,011,700, professional fees of £204,102, and other costs including fixtures and furnishings of £49,490. £154,969 was raised from a fundraising campaign organised by Complete Fundraising Ltd, overseen by the charity and supported by an influential group of vice -patrons from within Somerset, together with a private donation of £50,000. In addition, in 2019 the charity sold some of its land assets raising £842,540, the remainder of the cost of £217,783 being funded from the Hospital's accumulated reserves in this and previous years.

The garden continued to thrive but whereas in previous years, surplus produce was sold through donations at our main gate, this year because of COVID this was not possible so we donated surplus produce to the Balsam Centre in Wincanton, who used it as they prepared and distributed meals for those in need locally.

Quinquennial repairs and refurbishment have continued through the year, where possible concentrating on external works. We have also completed Phase 1 of the new boiler project, building a new smaller boiler room in the cellar that supports the properties in the main courtyard, as well as the Garden and Music Flats.

A Giving Committee agrees the Hospital's policy for external donations, in compliance with the third of the Hospital's objects, and distributes funds accordingly. However, in view of the high level of expenditure in the previous and current year, no further amounts have been allocated for giving.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2020

FINANCIAL REVIEW

Financial results

Investment income amounts to £381,602, an increase of £16,261 (4.5%), arising from increased investment property rental income and dividends. Residents' contributions were increased by 2.5% from September 2020 and amounted to £166,537. After receipt of donations amounting to £221,575, including £216,720 (2019 £53,808) received towards the Blackford Room, total income increased by £176,573 to £769,714.

Expenditure on raising funds comprises costs of managing and maintaining the investment properties, managing the investment portfolio, and fundraising towards the Blackford Room, and amounted to £133,474, an increase of £27,503 which was all attributable to increased fundraising costs (charged as a percentage of amounts raised).

Hospital operating costs have fallen by £68,860 to £301,007. Day-to-day running costs have increased slightly by £3,219 but Hospital repair costs have fallen by £70,667 to £62,369 – these by their nature fluctuate significantly from year to year, as various repair projects are carried out, which was further impacted by Covid-19 which meant that scheduled works were deferred. Administration and governance costs have fallen by £5,724 as a result of fees incurred in the previous year respect of advice on VAT matters.

External grants to local schools amounted to £932 (last year £932).

Exceptional costs of £1,162,125 were incurred in the year (2019 £348,501). The majority of these were the costs of completing the Blackford Room, which amounted to £926,775; in addition £173,223 was spent on upgrading the Hospital heating system and boilers, there were costs of £52,082 incurred in connection with ongoing development schemes for various investment properties, and professional fees of £10,045 for future Estate planning matters.

After inclusion of all expenditure, which amounted to £1,624,137 including exceptional costs, there was an overall deficit for the year, before inclusion of gains on investments, of £854,423 (2019 £263,453 deficit).

The Estate properties were revalued by the Hospital's Agents, Fowler Fortescue, at 31 October 2019 which gave rise to a surplus of £891,950, including realised gains on property sales; there have been no changes in valuation this year. There was a further increase of £79,308 in the value of the investment portfolio (2019 £272,656 increase in value).

After including all expenditure on the Blackford Room and investment gains, overall funds have fallen by £775,115 (2019 £901,153 increase, including property revaluations) and amounted to £16,915,955 at the year-end. The Endowment Fund fell in value by £837,532 to amount to £16,329,518 while there was an unrestricted surplus of £62,417 arising in the year so Unrestricted Funds increased to £586,437.

Information on Fundraising Agreements with Third Parties (as required by the Charities Act 2016)

Hugh Sexey's Hospital engaged Complete Fundraising Ltd to assist with fundraising towards the cost of the Blackford Room. In the year to 31 October 2020 they raised a total of £156,720, at a cost to the Hospital of £45,272 (inclusive of VAT). Since the year-end fundraising activities have continued, a further £9,000 (gross) having been raised so far this year. The activities of the fundraisers were regularly reviewed by the Visitors and the Master during the year; they adhere to the Institute of Fundraising guidelines for dealing with vulnerable people, and no complaints were received in respect of the fundraising activities carried out on behalf of the Hospital.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2020

FINANCIAL REVIEW (continued)

Heritage Assets - Hospital properties

In 2004 a desktop valuation of the Hospital was carried out, based on existing use values, which attributed a value of £1,100,000 to the Hospital. In view of the historic nature of the buildings and their central place within the activities of the Hospital, the Visitors do not believe that the cost of further revaluations can be justified. In order to ensure that the Hospital properties are kept fully maintained, the Visitors have a policy of undertaking quinquennial reviews of the state of the buildings – this review was carried out during 2018 by the Hospital's architects and a costed programme of works drawn up to cover all matters identified.

In October 2020 the Blackford Room was completed, at a total cost of £1.25m; the Visitors consider that this cost fails to meet the test for capitalisation of expenditure as there is no subsequent economic benefit arising from this expenditure, and no new charitable outputs, so it has been fully written off against Endowment Funds – there was a residual cost of £97,683 which was written off against the Income Fund.

Investments

Hugh Sexey's Hospital is a permanent endowment, with assets held in perpetuity. The investments comprise agricultural and residential properties, which comprise 78% of the value of the investments, and an investment portfolio. The Visitors regularly review the constituent parts of the Hospital's endowment, to monitor the balance between the values of the investment properties and the Stock Exchange investments but realise that with fluctuations in values, the ratio will change over time.

Investment Properties

The Visitors employ agents, Fowler Fortescue, to manage their investment properties, known as the Blackford Estate, and a long-term management strategy is being implemented. It is not possible to adopt a Total Asset Return basis for the investment properties as their illiquid nature means it is impossible to withdraw any unrealised gains without disposing of properties. Fowler Fortescue carried out a desktop revaluation of the Estate on an Open Market Value basis at 31 October 2019, valuing the properties at £12,131,410, an increase in value of £816,410 which was credited to the Permanent Endowment Fund. No subsequent revaluation has taken place in the current year – after taking advice, the Visitors do not believe there have been any subsequent changes in values during the year. A review of the agents was carried out in 2021 and after a competitive tender exercise, Fowler Fortescue have been reappointed.

Quoted Investment Portfolio

The Visitors adopted in 2011 a Total Return approach to investment management. All investment returns, whether income or realised and unrealised gains and losses, are brought into the Permanent Endowment Fund and the Visitors then agree an annual transfer from the accumulated unapplied total return to the Income Fund, to subsidise the running costs of the Hospital. The Visitors believe this gives a fair balance between the interests of current and future beneficiaries. In 2011 the Permanent Endowment investments were valued at £2,271,405 and a further £357,276 has been subsequently invested, a total of £2,628,681 after cash of £1,140,343 was withdrawn to fund the Blackford Room construction

After discussions with the investment managers the annual transfer to the Income Fund was set at 3% of the opening value of the portfolio (excluding cash balances), or £101,200. Total investment returns in the year amounted to £153,932 (2018-19 £337,935) - actual income received of £108,515 was slightly in excess of the target so this amount has been credited to the Income Fund, leaving £45,417 credited to Unapplied Total Return, so the cumulative balance since the policy was adopted now amounts to £761,972. When added to the Capital balance, the closing portfolio has a value of £3,390,653 (2019 £4,485,579).

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2020

RESERVES POLICY

At the start of the year, total unrestricted funds were in surplus by £524,020. During the year, unrestricted funds have increased by £62,417 to amount to £586,437 at the year-end.

Under the terms of the Hospital's governing documents, the Visitors are obliged to maintain the Hospital, which is a Grade I listed building and inalienable, and they believe it prudent to maintain reserves in a designated Building Fund to allow them to cover anticipated repair costs for both the Hospital and the investment properties. The Visitors considered the amount that should be held, in light of the works revealed in the quinquennial survey of the Hospital carried out in 2018 which were costed at £230,000, and decided that a fund balance of approximately £240,000 is appropriate.

This year a transfer of £130,000 has been made into the Building Fund. As a result of restrictions imposed as a result of Covid-19 the repairs programme was curtailed, so expenditure amounted to only £73,903, giving rise to a surplus of £56,097, so the closing Fund balance amounts to £276,511. The deferred works will be undertaken during 2021 and 2022, so the Visitors are of the opinion that the closing balance held within the Building Fund is sufficient to fund foreseeable repair costs.

The Hospital has a Residents Bequest Fund, comprising amounts left to the Hospital in previous years which have been designated to provide benefits for residents; this has been invested and is managed by the investment managers. During the year, due to the cancellation of residents' events, there was a surplus of £1,359; after including an increase of £1,678 in the value of investments, the fund increased by £3,037 to amount to £92,992 at the year-end.

The unrestricted Income Fund, being amounts that have not been designated by the Visitors, as described above, has increased by £3,283 during the year to stand at £216,934 at the year-end. This represents approximately six months of Hospital operating and administration costs, which the Visitors consider to be a prudent level of reserves.

PLANS FOR FUTURE YEARS

The Visitors recognise the need to be flexible, and to change with the times, particularly having regard to social and demographic trends. Their overall plans are to keep the Almshouse accommodation fully occupied by eligible residents, to maintain a good community spirit within the Hospital by, inter alia, continuing to employ suitable staff, to keep the fabric of the Hospital in good order, to ensure that the Almshouses are suitable for the changing needs of an older population, and to maintain the value of the Hospital's endowment, with a view to passing the Hospital on to future generations.

The Visitors have continued with plans to develop a part-derelict farmyard site at Blackford, to preserve some historic buildings and provide ten new homes; planning permission has been obtained and a sales price of £815,000 has been agreed with a developer, completion of the sale is anticipated by the end of the current financial year (October 2021). The Visitors will during 2022 purchase three of the units to add to the Investment Property portfolio, at a cost of £588,000.

The Visitors have potential liabilities for the replacement of landlords' buildings and fittings in respect of a number of their tenanted farms. They are working with their agents to resolve the various issues that could arise, which has identified a development opportunity through the sale of three derelict barns for residential development, which it is hoped will produce sufficient cash to eliminate the most pressing issues. There are also a number of other development projects currently being assessed.

Company registration number 6906918 Charity registration number 1130351

REPORT OF THE VISITORS
FOR THE YEAR ENDED 31 OCTOBER 2020

VISITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Visitors (who are also directors of Hugh Sexey's Hospital for the purposes of company law) are responsible for preparing the Report of the Visitors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Visitors 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 the year. In preparing these financial statements, the Visitors 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Visitors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 Visitors are aware:

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

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Section 415a of the Companies Act 2006.

Approved by the Visitors on 30 July 2021 and signed on their behalf by: -

_____

Mr J Buxton – Chairman of Visitors

Company registration number 6906918 Charity registration number 1130351

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2020

Opinion

We have audited the financial statements of Hugh Sexey's Hospital (the 'charitable company') for the year ended 31 October 2020 which comprise Statement of Financial Activities, Balance Sheet, Cashflow 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2020, 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 Auditor's 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

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

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

Other information

The Visitors are responsible for the other information. The other information comprises the information included in the Report of the Visitors, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Visitors (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUGH SEXEY'S HOSPITAL FOR THE YEAR ENDED 31 OCTOBER 2020 (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Visitors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Visitors

As explained more fully in the Visitors' responsibilities statement set out on page 8, the Visitors (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 Visitors 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 Visitors 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 Visitors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

James Gare (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House, Court Street
Trowbridge, Wiltshire
BA14 8FA

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2020

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2020 £**	Total 2019 £
Income from:						
Donations	1a	216,720	-	4,855	221,575	58,880
Charitable activities	1b	-	-	166,537	166,537	168,920
Investment activities	1c	108,515	-	273,087	381,602	365,341
Total income		325,235	-	444,479	769,714	593,141
Expenditure on:						
Raising Funds	2	77,485	-	55,989	**133,474**	105,971
Charitable activities:						
Hospital operating costs	3a	-	13,775	287,232	**301,007**	369,867
Administration costs	3b	-	-	20,749	**20,749**	26,473
External grants	3c	-	-	932	**932**	932
Exceptional costs	3d	1,054,397	-	107,728	**1,162,125**	348,501
Governance costs	3e	-	-	5,850	**5,850**	4,850
		1,054,397	13,775	422,491	**1,490,663**	750,623
Total expenditure	4	1,131,882	13,775	478,480	**1,624,137**	856,594
Net expenditure before gains		**(806,647)**	**(13,775)**	**(34,001)**	**(854,423)**	(263,453)
Net gains on investments:						
Investment properties	7a	-	-	-	**-**	891,950
Investment portfolio	7b	77,630	-	1,678	**79,308**	272,656
Net income / (expenditure) before transfers		(729,017)	(13,775)	(32,323)	**(775,115)**	901,153
Transfers between funds	12 & 13	(108,515)	13,775	94,740	**-**	-
Net movement in funds		**(837,532)**	**-**	**62,417**	**(775,115)**	901,153
Fund balances brought forward		17,167,050	-	524,020	**17,691,070**	16,789,917
Fund balances carried forward		**16,329,518**	**-**	**586,437**	**16,915,955**	17,691,070

The above results relate wholly to continuing activities; there were no recognised gains or losses other than those included above. The Statement of Financial Activities also complies with the requirement to prepare an income and expenditure account contained in the Companies Act 2006.

The accompanying accounting policies and notes form an integral part of these financial statements

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

BALANCE SHEET
AT 31 OCTOBER 2020

	Note	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2020 £**	Total 2019 £
Fixed assets						
Heritage assets: The Hospital	6	1,100,000	-	-	**1,100,000**	1,100,000
Investments:						
Freehold properties	7a	12,131,410	-	-	**12,131,410**	12,131,410
Investment portfolio	7b	2,895,038	-	579,251	**3,474,289**	4,567,537
		16,126,448	-	579,251	**16,705,699**	17,798,947
Current assets						
Debtors	9	-	-	22,587	**22,587**	13,354
Cash at bank and in hand		350,000	-	48,811	**398,811**	68,463
		350,000	-	71,398	**421,398**	81,817
Creditors: amounts falling due within one year	10	(146,930)	-	(64,212)	**(211,142)**	(189,694)
Net current assets / (liabilities)		203,070	-	7,186	**210,256**	(107,877)
Total assets less current liabilities		**16,329,518**	**-**	**586,437**	**16,915,955**	17,691,070
Capital funds						
Permanent Endowment Fund	11	16,329,518	-	-	**16,329,518**	17,167,050
Income funds						
Restricted	12	-	-	-	**-**	-
Unrestricted	13	-	-	586,437	**586,437**	524,020
		16,329,518	**-**	**586,437**	**16,915,955**	17,691,070

The Visitors have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Visitors at their meeting on 30 July 2021 and were signed on their behalf by:

_____ _____

Mr J Buxton – Chairman and Director E Hobhouse Esq - Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Company registration number 6906918 Charity registration number 1130351

HUGH SEXEY'S HOSPITAL

(A charitable company limited by guarantee)

CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 0CTOBER 2020

		Total 2020 £	Total 2019 £
Cash flows from operating activities			
Net outgoing resources, per Statement of Financial Activities		**(854,423)**	(263,453)
Adjustments for:			
Dividends and bank interest		**(117,707)**	(108,701)
(Increase) / decrease in debtors		**(9,233)**	35,769
Increase / (decrease) in creditors		**21,448**	119,201
Net cash used in operating activities		**(959,915)**	(217,184)
Cash flows from investing activities			
Investment income		**117,707**	108,701
Net proceeds from sale of investment properties	Note 7a	**-**	842,540
Net proceeds from sale of investments		**30,254**	41,187
Net cash generated from investing activities		**147,961**	992,428
Change in cash and cash equivalents in the reporting period		**(811,954)**	775,244
Cash and cash equivalents at the beginning of the reporting period		**1,263,228**	487,984
Cash and cash equivalents at the end of the reporting period		**451,274**	1,263,228
Analysis of cash and cash equivalents			
Bank Balances		**398,811**	68,463
Cash held as part of investment portfolio		**52,463**	1,194,765
Total cash and cash equivalents		**451,274**	1,263,228

Company registration number 6906918 Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2020

Legal status of the Charity
The Charity is a company limited by guarantee, incorporated in England and Wales, and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the reference and administrative details on page 2 of the financial statements and the nature of the charity's operations and principle activities are detailed in the Report of the Visitors.

Statement of compliance
The charity constitutes a public benefit entity as defined by FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. These financial statements have been prepared in compliance with FRS 102, the 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) (Charities SORP (FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice.

Basis of accounting
The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern
There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty
The Hospital makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Valuation of investment property
An external independent valuer, having appropriate recognised professional qualifications and current experience of the location and type of property being valued, values the charity's investment property. Fair values are based on market values. Market values are the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing.

Taxation
No provision is made for Corporation Tax as the charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

Liabilities
Liabilities are recognised in full in the financial statements as soon as the obligation arises.

Financial instruments
Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. These include cash, debtors other than prepayments, and creditors other than taxation and social security costs and deferred income.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Company registration number 6906918 Charity registration number 1130351

PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 OCTOBER 2020

Fund accounting

- **Permanent endowment**: The Hospital has a permanent endowment which it is legally prevented from spending and which must remain intact as part of the Hospital's capital. It has invested the endowment to provide income for its charitable activities.
- **Restricted funds**: these are held to be used for specified purposes as laid down by the governing documents or by the donors
- **Unrestricted funds**: these are other incoming resources received or generated for expenditure on the general objectives of the Hospital. The Visitors have designated certain of the unrestricted funds; they have decided that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Income and expenditure
All income is recognised in full in the statement of financial activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Expenditure is charged on an accruals basis and is allocated between expenditure incurred on management of the investments, expenditure in fulfilment of the Hospital's objectives (direct charitable expenditure) and expenditure incurred in the governance of the Hospital. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Heritage Assets
The Hospital is a listed building of historical importance and as its preservation and conservation is one of the Hospital's objectives, it is regarded as a heritage asset and the Visitors take steps to ensure it is properly maintained. As a result of the age of the Hospital there is no record of any original costs.

No depreciation is charged on the Hospital buildings; the Visitors consider that this policy is appropriate given the historic nature of the buildings and the nature of the Hospital's activities which ensure that the buildings are maintained in an excellent state of repair.

Investments
Investment properties are included in the balance sheet at their estimated market value. Investment properties are formally revalued at least every five years by relevant professional valuers and are reviewed annually to ensure that the most recent formal valuation is still reasonable. No depreciation is provided in respect of investment properties as these are held for investment and the Visitors consider that this policy is necessary to give a true and fair view.

Listed investments held for investment purposes are stated at market value at the balance sheet date; gains and losses arising on revaluation are credited or debited to the appropriate fund through the SOFA.

Current asset investments are short term highly liquid investments held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Dividends and interest from investments are credited to income on a receivable basis.

Retirement benefits
The Hospital operates a defined contribution pension scheme. The pension costs charged against operating income are the contributions payable to the scheme in respect of the accounting year.

Grants payable
Grants are recognised in the financial statements when a commitment has been made, and there are no conditions to be met relating to the grant which remain in the control of the charity. Grants with performance conditions are only recognised in the financial statements once the recipient of the grant has provided the specified service or output.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

		Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2020 £**	Total 2019 £
1. INCOME						
1a) Donations						
Towards costs of running the Hospital		-		4,855	**4,855**	5,072
Towards Blackford Room development		216,720	-	-	**216,720**	53,808
		216,720	-	4,855	**221,575**	58,880
1b) Charitable activities						
Contributions from residents		-	-	166,537	**166,537**	168,920
1c) Investment activities						
Investment property income		-	-	263,895	**263,895**	256,640
Dividends and bank interest		108,515	-	9,192	**117,707**	108,701
		108,515	-	273,087	**381,602**	365,341
Total income		325,235	-	444,479	**769,714**	593,141
2. EXPENDITURE ON RAISING FUNDS						
Investment property costs:						
Costs of Estate management		-	-	44,455	**44,455**	42,799
Day-to-day repairs and maintenance		-	-	11,534	**11,534**	10,892
		-	-	55,989	**55,989**	53,691
Brokers management fees	7b	32,213	-	-	**32,213**	35,328
Costs of fundraising for Blackford Room		45,272	-	-	**45,272**	16,952
		77,485	-	55,989	**133,474**	105,971
3. EXPENDITURE ON CHARITABLE ACTIVITIES						
a) Hospital operating costs						
Employment costs	Note 5	-	-	128,658	**128,658**	123,082
Other Hospital costs		-	-	108,328	**108,328**	110,685
Day-to-day running costs		-	-	236,986	**236,986**	233,767
Almshouse repairs and improvements		-	13,775	48,594	**62,369**	133,036
Former Residents' Bequest expenditure		-	-	1,652	**1,652**	3,064
		-	13,775	287,232	**301,007**	369,867
b) Administration costs						
Accountancy and charity administration		-	-	18,150	**18,150**	17,400
Professional Fees: VAT advice		-	-	-	**-**	6,255
Other administration expenses		-	-	2,599	**2,599**	2,818
		-	-	20,749	**20,749**	26,473
c) External grants						
Grants made to institutions		-	-	932	**932**	932
d) Exceptional costs						
Hospital: Blackford Room development		829,092	-	97,683	**926,775**	221,752
Hospital: Heating Project		173,223	-	-	**173,223**	-
Estate: costs re future development site		52,082	-	-	**52,082**	115,765
Estate: professional fees re future strategy		-	-	10,045	**10,045**	10,984
		1,054,397	-	107,728	**1,162,125**	348,501

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	**Total 2020 £**	Total 2019 £
3. EXPENDITURE ON CHARITABLE ACTIVITIES					
e) Governance Costs					
Audit fees	-	-	5,850	**5,850**	4,850
	-	-	5,850	**5,850**	4,850

Audit and accountancy fees: (all inclusive of VAT)	Audit services	**5,850**	4,850
	Non-audit services - payroll preparation	**849**	912

4. TOTAL EXPENDITURE

		Staff costs £	Repair costs £	Exceptional £	Other costs £	**2020 £**	2019 £
Investment property costs	Note 2	-	11,534	-	44,455	**55,989**	53,691
Investment man.charges	Note 2	-	-	-	32,213	**32,213**	35,328
Cost of Fundraisers	Note 2	-	-	-	45,272	**45,272**	16,952
Hospital operating costs	Note 3a	128,658	62,369	-	109,980	**301,007**	369,867
Administration costs	Note 3b	-	-	-	20,749	**20,749**	26,473
External grants	Note 3c	-	-	-	932	**932**	932
Exceptional costs	Note 3d	-	-	1,162,125		**1,162,125**	348,501
Governance costs	Note 3e	-	-	-	5,850	**5,850**	4,850
Total resources expended		128,658	73,903	1,162,125	259,451	**1,624,137**	856,594

5. STAFF COSTS AND RENUMERATION OF KEY MANAGEMENT PERSONNEL

Staff costs during the year were:	**£**	£
Wages and salaries	**119,444**	114,180
Employers National Insurance contributions (less Employment Allowance)	**6,784**	6,863
Pension contributions	**2,430**	2,039
	128,658	123,082

Average number of employees for the year - 5 (2018-19: 5). None earned in excess of £60,000 (2018-19 none).

The Trust considers its key management personnel comprise the trustees and the Master. The total employment benefits of the key management personnel, including employer's pension contributions, were £46,061 (2018-19: £44,596).

6. HERITAGE ASSETS

	£	£
At valuation	**1,100,000**	1,100,000

The Visitors, after receiving professional advice, have determined that the Hospital is a heritage asset. As a result of the age of the Hospital there are no records of the original cost; the Hospital buildings are included at a desktop valuation provided by qualified valuers at 31 October 2004, based on existing use values.

Expenditure incurred on the construction of the Blackford Room amounted to £1,265,292, comprising £1,011,699 paid to the contractor, £204,103 of professional fees, and £49,490 of other costs including fixtures and furhsihings. costs. The Visitors consider that there has been no overall increase in the value of the Heritage Asset as a result of this expenditure, and therefore the whole of the construction cost has been written off.

As there are no plans to alter the use of the Hospital buildings, the Visitors do not believe that the costs of carrying out any further revaluations of the Hospital buildings can be justified.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2020

7. INVESTMENTS

a) Freehold investment properties

			2020	2019
			£	£
At beginning of the year			**12,131,410**	12,082,000
Movement in year:	Sales proceeds		**-**	(842,540)
	Profit arising on sales	Note 11	**-**	75,540
	Surplus arising on revaluation	Note 11	**-**	816,410
At end of the year			**12,131,410**	12,131,410

During the year to 31 October 2019, a number of parcels of land were sold at auction. This produced sales proceeds (net of sale fees) of £842,540, giving rise to a surplus over book valuation of £75,540.

The Hospital's Land Agents, Fowler Fortescue, revalued the investment properties on an Open Market Value basis at 31 October 2019 . This produced an unrealised gain on revaluation of £816,410 which was included in the financial statements, the gain being credited to the Permanent Endowment Fund.

b) Investment portfolio

		Permanent Endowment Fund	Unrestricted: Former Residents Bequest	**Total 2020**	Total 2019
		£	£	**£**	£
Investment income received		108,515	3,011	**111,526**	107,799
Management fees charged		(32,213)	-	**(32,213)**	(35,328)
Funds invested / (withdrawn)		(1,140,343)	(3,011)	**(1,143,354)**	781,396
Unapplied total return allocated to income		(108,515)	-	**(108,515)**	(104,702)
Realised and unrealised gains/(losses):					
Permanent Endowment	Note 8	77,630	-	**77,630**	267,780
Former Residents Bequests	Note 13	-	1,678	**1,678**	4,876
Net increase in portfolio value		(1,094,926)	1,678	**(1,093,248)**	1,021,821
Opening valuation		4,485,579	81,958	**4,567,537**	3,545,716
Closing valuation		**3,390,653**	**83,636**	**3,474,289**	4,567,537
Historical cost of listed investments		3,160,496	78,760	**3,239,256**	4,370,100

The investments are held as follows:	Investment portfolio	**3,421,826**	3,372,772
	Cash balances held by brokers	**52,463**	1,194,765
		3,474,289	4,567,537

At the end of the reporting period the following holdings comprised more than 5% of the value of the portfolio.

Sarasin Endowments Fund Class A - Income	**£3,421,826**	3,372,772

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2020

8. MOVEMENT IN UNAPPLIED TOTAL RETURN

Unapplied total return is calculated from a start date of 11 August 2011. The Hospital's policy is to transfer into unrestricted (Income) funds each year an amount equal to 3% of the opening value of the Permanent Endowment investment portfolio, which is available for charitable uses. For 2018-19 this transfer amounted to £103,800. This is funded from the total investment returns (income and gains, less management charges) on the Hospital investments. The Visitors intend to keep the distribution rate under review and adjust as necessary to take account of prevailing rates of investment return.

The amount of Permanent Endowment invested under the Total Return basis comprises:

			2020	2019
			£	£
Total fixed assets			**16,705,699**	17,798,947
Exclude:	Heritage assets: The Hospital	Note 6	**(1,100,000)**	(1,100,000)
	Investment properties	Note 7a	**(12,131,410)**	(12,131,410)
	Residents Bequest Fund investments		**(83,636)**	(81,958)
			3,390,653	4,485,579

		Permanent Endowment	Unapplied total return	**Total 2020**	Total 2019
		£	£	**£**	£
At beginning of period		3,769,024	716,555	**4,485,579**	3,468,634
Investment returns:	Realised and unrealised gains		77,630	**77,630**	267,780
	Investment income receivable		108,515	**108,515**	105,483
	Investment management costs		(32,213)	**(32,213)**	(35,328)
			153,932	**153,932**	337,935
Unapplied total return allocated to income			(108,515)	**(108,515)**	(103,800)
Unapplied total return unallocated at year-end			45,417	**45,417**	234,135
Additional funds invested / (withdrawn)		(1,140,343)	-	**(1,140,343)**	782,810
Net movement in reporting period		(1,140,343)	45,417	**(1,094,926)**	1,016,945
At end of period		2,628,681	761,972	**3,390,653**	4,485,579

9. DEBTORS

	2020	2019
	£	£
Investment income - rental income held by Agents	**8,591**	-
Investment income - amounts due from tenants	**3,700**	3,758
Prepayments and other debtors	**10,296**	9,596
	22,587	13,354

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		£	£
Trade creditors:	Endowment Fund - re Blackford Room	**145,162**	134,551
	Unrestricted Funds	**47,566**	36,820
Accruals and other creditors		**7,450**	7,951
Social security and other taxes		**10,964**	3,009
Deposits received from residents		**-**	7,363
		211,142	189,694

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2020

11. PERMANENT ENDOWMENT FUND

		2020	2019
		£	£
Income			
Donations towards Blackford Room development	Note 1a	**216,720**	53,808
Expenditure charged against Endowment Funds:			
Hospital: Blackford Room fundraising costs	Note 2	**(45,272)**	(16,952)
Hospital: Blackford Room development	Note 3d	**(829,092)**	(221,752)
Hospital: Heating Project	Note 3d	**(173,223)**	-
Estate: costs re future development site	Note 3d	**(52,082)**	(115,765)
Net expenditure in the year		**(882,949)**	(300,661)
Realised gain arising on sale of Investment Properties	Note 7	**-**	75,540
Unrealised gain arising on revaluation of Investment Properties	Note 7	**-**	816,410
Unapplied total return unallocated at year-end	Note 8	**45,417**	234,135
Net movement in funds during the year		**(837,532)**	825,424
Fund balances brought forward at start of year		**17,167,050**	16,341,626
Fund balance carried forward at end of year		**16,329,518**	17,167,050

12. RESTRICTED FUNDS

		2020	2019
Extraordinary Repairs Fund		£	£
Expenditure during the year	Note 3a	**(13,775)**	(13,775)
Annual transfer from income account	Note 13	**13,775**	13,775
Net movement in funds during the year		**-**	-
Fund balances brought forward at start of year		**-**	-
Fund balances carried forward at end of year		**-**	-

Under the terms of the governing Orders, the Visitors are required to transfer a minimum of £690 into an Extraordinary Repairs Fund, to fund major long-term modernisation and repairs. The Visitors have agreed to provide for these repairs using the Almshouse Association suggested contribution rates of £475 per flat, which produces an annual charge of £13,775. Costs of remodelling flats during the year exceed this figure - an equal cost has therefore been charged against the Fund.

13. UNRESTRICTED FUNDS

		Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total 2020**	Total 2019
		£	£	£	£	**£**	£
Surplus/(deficit) for the year		38,543	(73,903)	1,359	-	**(34,001)**	(19,172)
Allocated to Building Fund		(130,000)	130,000	-	-	**-**	-
Outgoing resources before transfers		(91,457)	56,097	1,359	-	**(34,001)**	(19,172)
Transfers							
Total Asset Return adjust.	Note 7	108,515	-	-	-	**108,515**	103,800
Extraordinary Repairs	Note 12	(13,775)	-	-	-	**(13,775)**	(13,775)
Outgoing resources after transfers		3,283	56,097	1,359	-	**60,739**	70,853
Investment gain	Note 7	-	-	1,678	-	**1,678**	4,876
Net movement in funds during year		**3,283**	**56,097**	**3,037**	**-**	**62,417**	75,729
Fund balances at start of year		213,651	220,414	89,955	-	**524,020**	448,291
Fund balances at end of year		**216,934**	**276,511**	**92,992**	**-**	**586,437**	524,020

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2020

13. UNRESTRICTED FUNDS (continued)

Buildings Fund
Repairs, maintenance and modernisation costs arise erratically over the years; if charged directly to the Income Fund the amount of surplus in any year can vary greatly. The object of the Buildings Fund is to even out the charge against the Income Fund by debiting a regular annual amount against it and crediting the same to the Buildings Fund against which expenditure on repairs, maintenance and modernisation is then charged.

The Visitors consider that setting aside funds in this way is a useful financial discipline which will help the Hospital to make the best use of its resources, even though there is no legal force to the designations.

Giving Fund
Every year the Visitors decide on the amounts to allocate for external donations to local and regional beneficiaries. In view of the large cash requirement to fund the Blackford Room, no further amount has been allocated for grants.

Former Residents Bequests Fund
From time to time Residents have left bequests to the Hospital. These are kept in a separate fund, the income from which is made available for items of expenditure which will be to the benefit of all residents, as recommended by the House Committee and endorsed by the Visitors.

14. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 October 2020 there were no capital commitments or contingent liabilities.

At 31 October 2019 the Hospital had a capital commitment in respect of the construction of the Blackford Room; it had contracted for a contract value of £829,711 plus £165,942 VAT, a total of £995,653, of which £110,300 plus VAT had been invoiced before the year-end.

15. TAXATION

The charitable company is exempt from taxation on income and gains falling within categories covered by Part II, Chapter 3 of the Corporation Taxes Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

16. PAYMENTS TO TRUSTEES AND CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS

No remuneration or reimbursement of expenses was paid during the year to any of the Visitors.

The charitable company has purchased trustees' liability insurance costing £1,219 (2018-19: £1,219). The Charity Commission has confirmed that the Visitors have the power to take out such an insurance policy.

No related party transactions took place during the year or prior year.

17. LIABILITIES OF MEMBERS

Under paragraph 7 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1, in the event of it being wound up during the year of membership and within one year afterwards.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2020

18a. PRIOR YEAR COMPARATIVES - STATEMENT OF FINANCIAL ACTIVITIES

	Endowment Funds	Restricted Funds	Unrestricted Funds	**Total**
	£	£	£	**£**
Income from:				
Donations and legacies	53,808	-	5,072	58,880
Charitable activities	-	-	168,920	168,920
Investments	105,483	-	259,858	365,341
Total income	159,291	-	433,850	593,141
Expenditure on:				
Raising Funds	16,952	-	53,691	**70,643**
Charitable activities:				
Hospital operating costs	-	13,775	356,092	**369,867**
Administration costs	-	-	26,473	**26,473**
External grants	-	-	932	**932**
Exceptional costs	337,517	-	10,984	**348,501**
Governance costs	-	-	4,850	**4,850**
	337,517	13,775	399,331	**750,623**
Total expenditure	354,469	13,775	453,022	**821,266**
Net expenditure before gains	**(195,178)**	**(13,775)**	**(19,172)**	**(228,125)**
Net gains on investments:				
Investment properties	891,950	-	-	**891,950**
Investment portfolio	232,452	-	4,876	**237,328**
Net income / (expenditure) before transfers	929,224	(13,775)	(14,296)	**901,153**
Transfers between funds	(103,800)	13,775	90,025	**-**
Net movement in funds	**825,424**	**-**	**75,729**	**901,153**
Fund balances brought forward	16,341,626	-	448,291	**16,789,917**
Fund balances carried forward	**17,167,050**	**-**	**524,020**	**17,691,070**

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 OCTOBER 2020

18b. PRIOR YEAR COMPARATIVES - BALANCE SHEET AND FUNDS

	Endowment Funds	Restricted Funds	Unrestricted Funds	**Total 2020**
	£	£	£	**£**
Fixed assets				
Heritage assets: The Hospital	1,100,000	-	-	**1,100,000**
Investments:				
Freehold properties	12,131,410	-	-	**12,131,410**
Investment portfolio	4,070,191	-	415,388	**4,485,579**
	17,301,601	-	415,388	**17,716,989**
Current assets				
Investment portfolio	-	-	81,958	**81,958**
Debtors	-	-	13,354	**13,354**
Cash at bank and in hand	-	-	68,463	**68,463**
	-	-	163,775	**163,775**
Creditors: amounts falling due within one year	(134,551)	-	(55,143)	**(189,694)**
Net current assets / (liabilities)	(134,551)	-	108,632	**(25,919)**
Total assets less current liabilities	**17,167,050**	**-**	**524,020**	**17,691,070**
Capital funds				
Permanent Endowment Fund	17,167,050	-	-	**17,167,050**
Income funds				
Restricted	-	-	-	**-**
Unrestricted	-	-	524,020	**524,020**
	17,167,050	**-**	**524,020**	**17,691,070**

UNRESTRICTED FUNDS COMPRISE:

	Income Fund	Buildings Fund	Former Residents Bequest	Giving Fund	**Total**
	£	£	£	£	**£**
Surplus/(deficit) for the year	125,504	(143,928)	(748)	-	**(19,172)**
Allocated to Building Fund	(130,000)	130,000	-	-	**-**
Outgoing resources before transfers	(4,496)	(13,928)	(748)	-	**(19,172)**
Transfers					
Permanent Endowment	103,800	-	-	-	**103,800**
Extraordinary Repairs	(13,775)	-	-	-	**(13,775)**
Outgoing resources after transfers	85,529	(13,928)	(748)	-	**70,853**
Investment losses	-	-	4,876	-	**4,876**
Net decrease in funds during year	**85,529**	**(13,928)**	**4,128**	**-**	**75,729**
Fund balances at start of year	128,122	234,342	85,827	-	**448,291**
Fund balances at end of year	**213,651**	**220,414**	**89,955**	**-**	**524,020**