

Contents

Financial statements for
the year ended 31 December 2021

**The Hospital of
St John The Baptist**

Charity information	1
Trustees' report	2 - 5
Independent auditors' report	6 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 22

The Hospital of St John The Baptist

Charity information

Trustees	Graham Monro Bates (passed away September 2022) Brian Guy Woodrow (passed away July 2021) Christine McHugh Wendy Rider Roger Rigby John Wheeler David Wilson Mollie Frances Foster Harry Fowler Rev Vicky Bryson
Clerk	Kynaston Limited
Charity number	200176
Principal Address	5 Connaught Way Bedford MK41 7LB
Auditors	HW East Midlands Audit LLP Woburn Court, 2 Railton Road Woburn Road Ind Est Kempston Bedford MK42 7PN
Bankers	HSBC Bank Plc 12 Allhallows Bedford MK40 1LJ
Solicitors	Palmers PO Box 455 Hassett Chambers Hassett Street Bedford MK40 1WG
Investment Advisers	HSBC Global Asset Management 78 St James's Street London SW1A 1HL
Surveyors	Kirkby Diamond 1 st Floor West, Clifton House 4A Goldington Road Bedford MK40 3NF

The Hospital of St John The Baptist

Trustees' report For the year ended 31 December 2021

The Trustees present their Report, Statement of Financial Activities and Balance Sheet for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and the Charities Statement of Recommended Practice (second edition) and Financial Reporting Standard FRS 102.

Structure, Governance and Management

The Charity is a registered charity, number 200176, and is constituted under a trust deed dated 7 October 2020. The Charity was set up by the St John's Hospital Bedford Act 1881 as varied or affected by schemes of the Charity Commissioners of 26 November 1957, 14 January 1976, 16 September 2015 and in the matters of the Charities Acts to date. The Schedule to the St John's Hospital Bedford Act 1881 sets out the Scheme under which the Charity operated until the Trustees adopted the new Trust Deed by resolution on 1 October 2020. The Trust Deed dated 7 October 2020 supersedes and replaces all former governing documents of the Charity.

The Hospital of Saint John the Baptist in Bedford and the lands and property shall be under the management and control of its trustees. The number of trustees shall be at least three but no more than twelve. All trustees appointed shall reside in or be a burgess of the Borough of Bedford.

The Rector for the time being of the parish of Saint John the Baptist in Bedford shall be a trustee ex officio. The remaining trustees shall be appointed as follows:

- Four by the council of the Borough of Bedford;
- One by the Harpur Trust Bedford;
- One by the trustees of the Municipal Charities of Bedford;
- The remainder by the other or remaining Trustees of the Charity for the time being.

When a vacancy occurs a fit and proper person as mentioned above shall be appointed.

Each Trustee holds an initial office of three years, followed by a further two consecutive terms of three years renewable by re-appointment. A Trustee who has served a continuous term of nine years shall remain out of office for at least one year before they can be re-appointed, unless the Trustees decide it is not in the best interests of the charity for that Trustee to take a break from office.

The trustees meet quarterly to discuss the management of the investment properties and discuss and approve the payment of pensions and donations to other charitable institutions.

The administration of the charity has been delegated to the clerk, Kynaston Limited, on a day-to-day basis.

Objectives and Activities

The objects of the charity are:

- 1) To relieve financial hardship by paying grants to beneficiaries who have lived in Bedford for not less than fifteen years provided that, the trustees may suspend or terminate the appointment of a beneficiary if the continuing payment of the grant would have the effect of relieving public funds; and
- 2) For use in Bedford or for the benefit of persons who are residents of Bedford for the public benefit for all purposes that are charitable under the laws of England and Wales from time to time.

In setting the charity's objectives and planning its aims and objectives and future activities the Trustees have given consideration to the Charity Commission's general guidance on public benefit.

The Hospital of St John The Baptist

Trustees' report For the year ended 31 December 2021

Achievement and Performance

The objectives for the year, as set out by the trustees, were as follows:

- to attempt to obtain rental income at a satisfactory level
- to continue to review, monitor and evaluate the financial performance of investments
- to attempt to maintain pension payments at a consistent level with hopes of being able to continue to make payments to Bedford charities during the year

The trustees believe these objectives were met.

The trustees set out their objectives for the year ended 31 December 2021 as follows:

- to attempt to obtain rental income at a satisfactory level and recover rent arrears arising from the Covid-19 pandemic;
- to continue to review, monitor and evaluate the financial performance of investments
- to attempt to maintain pension payments at a consistent level and make payments to Bedford charities throughout the year to assist them with furthering their charitable objectives

During the previous year the trustees reviewed and updated the Trust Deed which was adopted in October 2020. The previous Trust Deed called for persons to be both sick and poor whereas the Trustees wish to help various charities that have no knowledge of the income of the sick. They feel that the original benefactors would have wished the charity to help them. The trustees therefore instructed a legal firm called Bates Wells to look at the Trust Deed and apply to the Charity Commission to update it so that it is more clearly understood, whilst keeping the intention of the original benefactors.

During the previous year the Trustees became aware that, although the Trust deed said that the Endowment should not be spent, there had been no value attributed to the Endowment in the charity's accounts historically. The Trustees have therefore identified the assets which they believe should be classified as a permanent endowment which are valued at £4,646,080 as at 31 December 2020. A transfer of £4,646,080 was therefore made from unrestricted funds to endowment funds to reflect the fact that these endowed assets are to be permanently held by the charity, with only the arising income being used for the charity's activities.

Fundraising standards information

The charity does not carry out any significant fundraising activities.

Grant Making Policy

The trustees have a policy of making grants to local charitable institutions. Grants will be made upon consideration of an application supported by the institution's financial statements.

Financial Review

Investment Policy

The trustees consider that the charity has sufficient funds for them to be invested in the longer term ensuring sufficient funds are available to meet the costs and objectives of the charity.

The Hospital of St John The Baptist

Trustees' report For the year ended 31 December 2021

Financial Review (continued)

Review of the Year

During the year the Trust made payments to suitable pensioners at £75 per quarter. These payments were made via the BACS system to between 506-516 (2020: 527-534) pensioners, who qualified under the trusts conditions for payment. The payments are not for a specific purpose but are to help towards improving the recipient's standard of living.

During the year grants to local charities were made of £33,131 (2020: £70,625).

Quoted investments have achieved a gain of £94,341 which the Trustees were expecting in the light of the market conditions during the year (2020: loss of £21,204). The investments held will continue to be reviewed and monitored during 2022, so that the greatest growth and return is achieved.

The charity's portfolio of investment properties was revalued in the year, giving rise to a loss of £240,000. The value of the properties and land stood at £4,243,000 at the year end.

Reserves Policy

The reserves held by the charity are intended to provide the required income to enable the charity to provide pensions and donations. The Trustees consider the current level of reserves to be sufficient to meet this requirement as the income generated is sufficient to cover the pensions and donations expenditure. There are no restricted funds and therefore all funds are held for unrestricted purposes. During the year the Trustees agreed to create three designated funds in order to set aside funds in order to avoid possible interruptions to payments of gratuities and grants and property costs. Further details are shown in note 15.

At 31 December 2021 the amount of reserves in the general fund amounted to £1,769,130 (2020: £1,629,686) of which £200,000 was held in designated funds (2020: £200,000). £4,646,080 was transferred to an endowment fund during 2020, which then saw a revaluation loss of £240,000, giving endowment funds at 31 December 2021 of £4,406,080. Total reserves at the year end are £6,175,210 (2020: £6,275,766).

Risk Management

The trustees consider that the main risks that affect the Trust are:

- those inherent in holding investments
- those inherent in maintaining the investment properties

The trustees consider that by employing third party specialists to advise and manage these areas that the risk is minimised.

The Hospital of St John The Baptist

Trustees' report For the year ended 31 December 2021

Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to the Auditors

We, the trustees of the charity who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the charity's auditors are unaware; and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent auditors

A resolution proposing that HW East Midlands Audit LLP be re-appointed as auditors of the charity will be put to the Annual General Meeting.

Approved by the Trustees on 31 October 2022

And signed on their behalf by

David Wilson

**David Wilson
Trustee**

Independent auditors' report to the Trustees of The Hospital of St John The Baptist

Opinion

We have audited the financial statements of The Hospital of St John The Baptist (the charity) for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 December 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. 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.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditors' report to the Trustees of The Hospital of St John The Baptist

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the Trustees' Report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the nature of the sector in which the charity operates, including the legal and regulatory framework applicable to the charity. We consider that the most significant are the Charities Statement of Recommended Practice, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the charity's Trust Deed.
- We obtained an understanding of how the charity complies with these requirements by discussions with those charged with governance and reviewing the minutes of Trustee meetings.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with those charged with governance.
- We inquired of those charged with governance about their own identification and assessment of the risk of irregularities, including any known actual, suspected or alleged instances of fraud.
- We discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to irregularities or fraud.

Independent auditors' report to the Trustees of The Hospital of St John The Baptist

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

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

In addition to the risk of management override of controls, we have identified the valuation of investment property and grant applications as the areas where the financial statements are most susceptible to material misstatement due to fraud. Audit procedures performed included review of grant application paperwork and a review of the independent valuer's property valuation reports.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

Independent auditors' report to the Trustees of The Hospital of St John The Baptist

Use of report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Haines Watts

Bianca Permal
Senior Statutory Auditor

HW East Midlands Audit LLP, Statutory Auditor

Chartered Accountants and Registered Auditors
Woburn Court, 2 Railton Road
Woburn Road Ind Est
Kempston
Bedford
MK42 7PN

Date: 31 October 2022

HW East Midlands Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Hospital of St John The Baptist

Statement of financial activities (including Income and Expenditure Account) For the year ended 31 December 2021

		2021 Unrestricted Funds	2021 Endowment Funds £	2021 Total Funds £	As restated 2020 Total Funds £
Income and endowments from:	Notes				
Donations and legacies	2	-	-	-	-
Investments	3	306,251	-	306,251	344,578
Total income		<u>306,251</u>	<u>-</u>	<u>306,251</u>	<u>344,578</u>
Expenditure on:					
Costs of raising funds:					
Investment management costs	4	9,379	-	9,379	11,238
Expenditure on charitable activities:					
Grant making	6	203,204	-	203,204	255,546
Property management	5	48,565	-	48,565	33,563
Total expenditure		<u>261,148</u>	<u>-</u>	<u>261,148</u>	<u>300,347</u>
Net gains/(losses) on investments	11	94,341	-	94,341	(21,204)
(Losses) on revaluation of investment property	12	-	(240,000)	(240,000)	(700,440)
Net income		<u>139,444</u>	<u>(240,000)</u>	<u>(100,556)</u>	<u>(677,413)</u>
Transfers between funds	16	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds for the year		139,444	(240,000)	(100,556)	(677,413)
Reconciliation of funds:					
Total funds brought forward		<u>1,629,686</u>	<u>4,646,080</u>	<u>6,275,766</u>	<u>6,953,179</u>
Total funds carried forward	15,16,17	<u><u>1,769,130</u></u>	<u><u>4,406,080</u></u>	<u><u>6,175,210</u></u>	<u><u>6,275,766</u></u>

All operations are continuing operations.

All income and expenditure figures for the year ended 31 December 2020 relate to unrestricted funds.

The notes on pages 13 to 22 form part of these financial statements.

The Hospital of St John The Baptist

Balance sheet As at 31 December 2021

	Notes	2021 £	As restated 2020 £
Fixed assets:			
Fixed asset investments	11	1,312,259	1,078,369
Investment property	12	4,243,000	4,483,000
Total fixed assets		5,555,259	5,561,369
Current assets:			
Debtors	13	240,338	281,038
Cash at bank and in hand		464,645	513,043
Total current assets		704,983	794,081
Liabilities:			
Creditors: amounts falling due within one year	14	(85,032)	(79,684)
Net current assets		619,951	714,397
Total assets less current liabilities		6,175,210	6,275,766
Net assets		6,175,210	6,275,766
The funds of the charity:			
Unrestricted funds	15	1,769,130	1,629,686
Endowment funds	16	4,406,080	4,646,080
Total charity funds	17	6,175,210	6,275,766

The notes on pages 13 to 22 form part of these financial statements.

The financial statements were approved by the trustees on 31 October 2022

And signed on their behalf by

David Wilson

David Wilson
Trustee

The Hospital of St John The Baptist

Statement of cash flows For the year ended 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	18	(212,780)	(382,559)
Cash flows from investing activities:			
Interest and dividend income		29,609	34,944
Rental income		269,144	302,320
Other investment income		7,498	7,314
Payments to acquire listed investments		(65,661)	-
Transfers (to)/from listed investment portfolio		(76,208)	70,612
Net cash used in investing activities		164,382	415,190
Change in cash and cash equivalents in the year		(48,398)	32,631
Cash and cash equivalents at the beginning of the year		513,043	480,412
Cash and cash equivalents at the end of the year		464,645	513,043

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The charity is unincorporated. The address of its registered office and principal place of business is disclosed in the charity information. The financial statements are presented in Sterling to the nearest whole pound, and this is the functional currency of the charity.

The charity constitutes a public benefit entity as defined by FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, due to the fact that sufficient reserves are held to cover any necessary period of scaling down of activities. Despite the Covid-19 pandemic, the charity has continued to operate using other methods within the guidelines of safety as recommended by the Government and its own risk assessments. The most significant area of judgement within the financial statements is the valuation of the investment properties which has been carried out by an independent valuer.

1.2 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity becomes legally entitled to the income, the amount can be measured reliably and it is probable that the income will be received. Rental income is recognised on a straight line basis over the period of the lease even if payments are not made on such a basis. Other income is recognised when it is receivable.

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

1.3 Resources expended

Expenditure, which is charged on an accruals basis, is allocated on the Statement of Financial Activities between:

- Expenditure incurred directly relating to the management of investments (investment management costs)
- Expenditure incurred directly to the fulfilment of the charity's objectives, including management and administration (charitable activities)
- Expenditure incurred in the management and administration of the charity and compliance with constitutional and statutory requirements (governance costs)
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis that reflects the use of the resource
- The remuneration and expenses of the Clerk are allocated 80% to support costs of the charitable activities and 20% to governance costs

Grants are accounted for on a paid basis except where a constructive or legal obligation arises.

Liabilities are recognised in the period to which they relate.

1.4 Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity. The charity has no designated or restricted funds.

Endowment funds represent those assets that are to be held permanently by the charity and not expended on the charity's activities. Income arising from the endowment funds is freely available to fund the charity's activities.

1.5 Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

1.6 Investments

Fixed asset investment in listed securities are valued at market value at the balance sheet date. Traded securities are valued by HSBC Global Asset Management. Gains and losses on these investments are recognised in the Statement of Financial Activities.

Investment property for which fair value can be measured reliably without undue cost and effort is measured at fair value, or open market value, at the balance sheet date. The gains and losses on revaluation of such properties are recognised in the Statement of Financial Activities.

Depreciation is not provided in respect of freehold investment properties. Leasehold investment properties are not amortised when the expired term is over twenty years.

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

2 Voluntary income

	2021 £	2020 £
Donations and legacies	-	-

3 Investment income

	2021 £	2020 £
Insurance receivable	6,354	7,314
Rents receivable	269,144	302,320
Income from investments	29,609	34,944
Other income	1,144	-
	<u>306,251</u>	<u>344,578</u>

4 Investment management costs

	2021 £	2020 £
Portfolio management	2,320	3,333
Fire and other insurances	7,059	7,905
	<u>9,379</u>	<u>11,238</u>

5 Charitable activities costs

2021

	Grant funded activity £	Support and gov- ernance costs £	2021 Total £
Property portfolio management	-	48,565	48,565
Grant making	186,206	16,998	203,204
	<u>186,206</u>	<u>65,563</u>	<u>251,769</u>

2020

	Grant funded activity £	Support and gov- ernance costs £	2020 Total £
Property portfolio management	-	33,563	33,563
Grant making	228,950	26,596	255,546
	<u>228,950</u>	<u>60,159</u>	<u>289,109</u>

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

6 Analysis of grants

2021	Grants to institutions £	Grants to individuals £	Support costs £	2021 Total £
Personal retirement grants	-	153,075	8,499	161,574
Local charity grants	33,131	-	8,499	41,630
	<u>33,131</u>	<u>153,075</u>	<u>16,998</u>	<u>203,204</u>

2020	Grants to institutions £	Grants to individuals £	Support costs £	2020 Total £
Personal retirement grants	-	158,325	13,298	171,623
Local charity grants	70,625	-	13,298	83,923
	<u>70,625</u>	<u>158,325</u>	<u>26,596</u>	<u>255,546</u>

Recipients of institutional grants:

	2021 £	2020 £
Friends for Life Bedfordshire	-	3,000
Progressability	5,000	5,000
Bedford Hospitals Charity	3,000	-
Bedford Daycare Hospice	-	3,000
Country Days Ltd	4,000	3,000
Retirement Education Centre	-	3,500
Carers in Bedfordshire	-	4,000
Kings Arms Project	5,000	6,000
Making Me Charity	3,000	-
St John's Hospice	-	20,000
Families United Network	2,631	3,000
Transition UK	3,000	-
Autism in Bedfordshire	3,000	5,000
MS Therapy Centre	-	5,000
Level Trust	-	5,625
Hear and Now (Philharmonia)	3,000	-
Guildhouse	-	2,000
Bedford and District Audio News	1,500	-
Project 229	-	1,000
Bedford Rural Communities	-	1,500
Total	<u>33,131</u>	<u>70,625</u>

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

7 Allocation of governance and support costs

Governance costs:

	2021 £	2020 £
Auditors remuneration for audit work	3,690	4,320
Auditors remuneration for non-audit work	1,590	2,880
Clerk's remuneration	4,533	3,744
Clerk's expenses	358	397
	<u>10,171</u>	<u>11,341</u>

The breakdown of support costs and how these have been allocated between governance and support costs is shown below.

2021

Cost type	Support costs £	Governance costs £	2021 Total £	Basis of apportionment
Property costs	1,417	-	1,417	Invoiced cost
Surveyors fees	5,544	-	5,544	Invoiced cost
Bad debt expense	23,086	-	23,086	Related debtor
Legal fees	4,814	-	4,814	Invoiced cost
Bank charges	863	-	863	Invoiced cost
Website and computer costs	-	-	-	Invoiced cost
Miscellaneous expenses	100	-	100	Invoiced cost
Clerk's remuneration	18,132	4,533	22,665	Time spent
Clerk's expenses	1,436	358	1,794	Time spent
Auditors remuneration for audit services	-	3,690	3,690	Governance
Auditors remuneration for non-audit services	-	1,590	1,590	Governance
	<u>55,392</u>	<u>10,171</u>	<u>65,563</u>	

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

7 Allocation of governance and support costs (continued)

2020

Cost type	Support costs £	Governance costs £	2020 Total £	Basis of apportionment
Property costs	1,256	-	1,256	Invoiced cost
Surveyors fees	5,015	-	5,015	Invoiced cost
Legal fees	25,114	-	25,114	Invoiced cost
Bank charges	870	-	870	Invoiced cost
Website and computer costs	-	-	-	Invoiced cost
Miscellaneous expenses	-	-	-	Invoiced cost
Clerk's remuneration	14,975	3,744	18,719	Time spent
Clerk's expenses	1,588	397	1,985	Time spent
Auditors remuneration for audit services	-	4,320	4,320	Governance
Auditors remuneration for non-audit services	-	2,880	2,880	Governance
	<u>48,818</u>	<u>11,341</u>	<u>60,159</u>	

8 Remuneration of key management personnel

The charity has no employees (2020: none) and therefore had no member of staff that received remuneration of more than £60,000 (2020: none).

Day-to-day management of the charity is delegated to the Clerk who received remuneration of £22,665 during the year (2020: £18,719) and was reimbursed for expenses totalling £1,794 (2020: £1,985). At the year end, the amount of remuneration included in other creditors and paid the following year was £4,665 (2020: £719).

9 Trustees' remuneration and benefits

There was no Trustees remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

There were no Trustees expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

10 Related party transactions

There are no related party transactions which require disclosure in the accounts (2020: none).

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

11 Fixed asset investments

	Listed investments £
Market value	
At 1 January 2021	1,078,369
Additions	65,661
Transferred from cash accounts	76,208
Investment management fees	(2,320)
Revaluations	94,341
	<u> </u>
At 31 December 2021	1,312,259
	<u> </u>
Carrying value	
At 31 December 2021	1,312,259
	<u> </u>
At 31 December 2020	1,078,369
	<u> </u>

The fair value for listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

12 Investment property

	As restated £
Market value	
At 1 January 2021	4,483,000
Revaluation	(240,000)
	<u> </u>
At 31 December 2021	4,243,000
	<u> </u>
Net book value	
At 31 December 2021	4,243,000
	<u> </u>
At 31 December 2020	4,483,000
	<u> </u>

The investment properties have not been revalued during the year by an independent valuer who is sufficiently experienced in the location and class of the properties owned by the charity. The most recent independent valuation took place on 31 December 2021.

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	40,526	80,859
Other debtors	7,639	5,733
	<u>48,165</u>	<u>86,592</u>
	2021 £	2020 £
Amounts falling due after more than one year:		
Other debtors	192,173	194,446
	<u>192,173</u>	<u>194,446</u>
	2021 £	2020 £
Aggregate amounts:		
Other debtors	<u>240,338</u>	<u>281,038</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	-
Other creditors	85,032	79,684
	<u>85,032</u>	<u>79,684</u>

Included in other creditors is deferred income arising from rents received that relate to a future financial period. The movement on deferred income in the year is analysed as follows:

	2021 £	2020 £
Balance brought forward	71,172	73,640
Amounts released to income	(71,172)	(73,640)
Amounts deferred in year	73,099	71,172
	<u>73,099</u>	<u>71,172</u>
Balance carried forward		

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

15 Unrestricted funds

	As restated Balance at 1 Jan 2021 £	Movement in year Incoming resources £	Resources expended £	Transfers £	Balance at 31 Dec 2021 £
General fund	1,429,686	400,592	(261,148)	-	1,569,130
Designated funds:					
Gratuities fund	120,000	-	-	-	120,000
Grants fund	30,000	-	-	-	30,000
Property fund	50,000	-	-	-	50,000
	<u>1,629,686</u>	<u>400,592</u>	<u>(261,148)</u>	<u>-</u>	<u>1,769,130</u>

During the previous year the Trustees agreed to create three designated fund for the following purposes:

Gratuities fund:	To set aside funds for pension payments
Grants fund:	To set aside funds for grant payments
Property fund:	To set aside funds for unforeseen emergency property costs

Transfers between unrestricted funds and these designated funds were made during the year as detailed above and the balances will be reviewed each year.

16 Endowment funds

During the previous year the Trustees became aware that, although the Trust deed said that the Endowment should not be spent, there had been no value attributed to the Endowment in the charity's accounts historically. The Trustees therefore identified the assets which they believe should be classified as a permanent endowment which are valued at £4,646,080 as at 31 December 2020. A transfer of £4,646,080 was made from unrestricted funds to endowment funds during the year ended 31 December 2020 to reflect the fact that these endowed assets are to be permanently held by the charity, with only the arising income being used for the charity's activities.

17 Net assets held by funds

	Fixed Assets £	Cash & Investments £	Other Assets £	Creditors £	Total £
General fund	-	1,413,824	240,338	(85,032)	1,569,130
Designated funds	-	200,000	-	-	200,000
Endowment fund	4,243,000	163,080	-	-	4,406,080
	<u>4,243,000</u>	<u>1,776,904</u>	<u>240,338</u>	<u>(85,032)</u>	<u>6,175,210</u>

The Hospital of St John The Baptist

Notes to the financial statements For the year ended 31 December 2021

18 Operating leases and financial commitments

The charity has investment properties that are leased to third parties. The future minimum lease payments receivable under those non-cancellable leases are as follows:

	2021 £	2020 £
Not later than one year	299,991	297,894
Later than one year and not later than five years	481,164	652,476
Later than five years	5,586,435	5,526,384
	<u> </u>	<u> </u>
Total future minimum lease payments	6,367,590	6,476,754
	<u> </u>	<u> </u>

Lease arrangements are entered into for a period of up to 99 years with an option for renewal at the end of the lease at the option of the lessee. There are no contingent rental purchase option clauses.

There were no capital commitments at 31 December 2021 or 31 December 2020.

19 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	As restated 2020 £
Net (deficit) for the year	(100,556)	(677,413)
Rents received from investment properties	(269,144)	(302,320)
Investment income from listed investments	(29,609)	(34,944)
Other investment income	(7,498)	(7,314)
(Gains)/losses on investments	(94,341)	21,204
Losses on investment property	240,000	700,440
Decrease/(increase) in debtors	40,700	(73,575)
Increase/(decrease) in creditors	5,348	(11,970)
Investment management fees paid from portfolio	2,320	3,333
	<u> </u>	<u> </u>
Net cash flow from operating activities	(212,780)	(382,559)
	<u> </u>	<u> </u>

20 Prior year adjustment

During the previous year an adjustment was made to the comparative figures for the year ended 31 December 2019 in relation to the value of investment property and unrealised gain on investment. Land with a value of £433,440 was omitted from the valuation as at 31 December 2019 disclosed in the accounts meaning the investment property value in the balance sheet and the unrealised gain on investment recognised in the statement of financial activities were each understated by £433,440. Both values in the comparative figures have now been adjusted. The effect of this adjustment is:

	£
Opening reserves at 1 January 2020 (as previously stated)	6,519,739
Prior year adjustment	433,440
	<u> </u>
Opening reserves at 1 January 2020 (as restated)	6,953,179
	<u> </u>